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PUBLIC HOUSING NEEDS AND CONDITIONS IN DALLAS

HEARINGS

BEFORE THE

SUBCOMMITTEE ON
HOUSING AND COMMUNITY DEVELOPMENT

OF THE

COMMITTEE ON
BANKING, FINANCE AND URBAN AFFAIRS
HOUSE OF REPRESENTATIVES

NINETY-NINTH CONGRESS

FIRST SESSION

PART 2
OCTOBER 15, 1985

Serial No. 99-61

Printed for the use of the
Committee on Banking, Finance and Urban Affairs

U.S. GOVERNMENT PRINTING OFFICE
57-329 O WASHINGTON : 1986

H241.32

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PUBLIC HOUSING NEEDS AND CONDITIONS IN DALLAS

TUESDAY, OCTOBER 15, 1985

House of Representatives,
Subcommittee on Housing and Community Development,
Committee on Banking, Finance and Urban Affairs,
Washington, DC.

The subcommittee met, pursuant to notice, at 9:31 a.m, at Roseland Homes, 2021 North Washington Avenue, Dallas, TX, Hon. Henry B. Gonzalez (chairman of the subcommittee) presiding.

Present: Chairman Gonzalez and Representative Bartlett.

Also present: Representative Bryant.

Chairman Gonzalez. The subcommittee will please come to order.

I have some initial remarks for the record.

The jurisdiction of the Subcommittee on Housing and Urban Development covers all the Federal housing programs from housing of rural farmworkers, to urban public housing to FHA insured mortgages.

The subcommittee also deals with community development block grants, and all of the related host of programs. Accordingly, to carry out these federally assisted housing programs we need to understand what the housing needs are in specific cities.

This is why we're in Dallas. This is a postponed meeting that had originally been scheduled for August 28.

The subcommittee in the 4½ years I have chaired it has had the most comprehensive set of hearings throughout the country, field hearings, in the history of this committee, or any other committee in the Congress.

We've gone from the Eastern Shore, to California, from Minnesota, to Texas, and in between, Midwest States. We've been to Alabama, and we'll probably be returning. To New York City alone this subcommittee has gone four times in less than 1 year during this immediate past year.

So we have been from the dense urban areas to the rural areas of this country. We have a pretty good idea of the proportions of the shelter problems confronting the country.

Today's hearing is part of a series of hearings that have taken the subcommittee, as I say and repeat, to migrant labor camps, both coasts, up in the Panhandle in Texas, from San Diego to New York, from Milwaukee to San Antonio.

We know what the statistics tell us for Washington is awash in numbers and data, but a legislator must also understand the look and the feel of the country, and the only way to do that is to go and see.

Dallas is one of the Nation's most dynamic cities, prosperous, proud, and growing. As of 1980, about 1.6 million people lived in Dallas County. There were then about 500,000 houses, of which about half were rental units.

Despite the dynamics, the census tells us about 70 percent of the population is poor. There are enough poor people in this city to constitute a city of good size. About 120,000. And here, as in Houston, only about half of the poor receive any form of public assistance. Even in the most prosperous places there are people left behind and left out.

There are about 402,000 housing units here in Dallas, but of these about 72,000 are structurally substandard in one degree or another. Most of these houses can be fixed, but about 8,300 are beyond repair.

These are the homes of the poor and the very poor. Dallas has about 11,100 assisted housing units available through the Dallas Housing Authority. This is about one assisted unit for every 10 poor people who need and could qualify for housing assistance. Thus, only a fraction of the people who need housing assistance here have any real chance of obtaining help. I might add this is true throughout the country.

Probably most of these people who cannot obtain housing assistance are living in substandard housing. Many are living in crowded conditions, not less than 4 percent of the housing units are overcrowded. That is, have more than 1.1 persons per room, which nationally speaking isn't bad at all.

Also, the Federal Government allows the issuance of tax-exempt bonds to provide below market interest rate loans. A study published by the Dallas News shows that very little of this help is going to the city's 162,000 low- and moderate-income households.

Thus, the majority of this forum of federally subsidized housing is not helping the people who are most in need. Yet, directly subsidized housing programs like public housing, or section 202, housing for the elderly, are virtually at a standstill.

The administration proposes a flat 2-year halt in new assisted housing. This is housing for which people must demonstrate a need before they can move in. It's very unusual, in fact, almost unheard of to find a family receiving a housing subsidy which doesn't need one.

But the indirect tax expenditure subsidies employed by the popular tax-exempt Housing Bond Program appear to be largely wasted insofar as housing for those most in need is concerned.

The point is that in a time of Federal fiscal restraint every community must use carefully the very limited housing resources that are available. We need to assure that what is available is used in the best and the most effective way possible.

One concern of the subcommittee is the public housing units that are demolished for one reason or another, such as here, Washington Place, and throughout the country, not only in Texas, be replaced so that there's not a net loss of housing for the poor. We're talking about a very specialized area.

Shelter for the poor is just not available unless there's a subsidy. Not only in the United States, but through the entire world.

There isn't one country that has provided or attempted to provide housing for all of its citizens, even in the relatively progressive Scandinavian countries where you have a minimum of poverty and slums, if any at all.

The only way that housing has been provided is through a national commitment for that purpose.

Nationwide here there are public housing units in what is now very valuable central business district land. And consequently, there's great pressure to get rid of this housing and build high valued real estate. This pressure exists not just in Dallas, it exists in Houston—we were there yesterday and saw clear evidences—in my own hometown of San Antonio, Chicago, where we hope we'll be able to go this next month of November, and where you really have some astounding problems, and New York. But what we do about the people who live in these places is what we're concerned about. These people have no other place to go.

Public housing may not be much, but for most, if not all of the tenants, it's the only source of housing. This is a housing for which people must demonstrate a need before they move in.

As I said, it's very difficult to provide the ongoing programs that will provide at least for a substantial part of the poor, some form of shelter.

Another concern of the subcommittee is that existent public housing stock be maintained in sound, decent condition. This requires a modernization.

And we will look at modernization at Roseland Homes here in Dallas. We have briefly, and we've had a chance to see throughout the country where some of the modernization money that actually was initiated on a nationwide basis about 1970, 1971 has been used.

Homeless people exist in every city, and it appears that there's no city that has enough emergency shelter to meet the need. We want to understand what the situation is here.

We want to learn about housing patterns, and to receive informational reports of segregation and federally assisted housing. We want to understand what the problems are, how they can be solved, and how Federal programs can be shaped to become more effective tools.

Most cities have the resources they need to meet all the problems that must be addressed. All cities have success stories and failures. All cities can report rights and wrongs. We're here to get a perspective on this city, as we have in many others across the country.

We're delighted, privileged to be here, and look forward to the testimony that will be presented, and we recognize our distinguished colleague from Texas, the minority member on the subcommittee, a very active and dynamic member from Dallas, and we turn the forum over to him for whatever purposes he may wish to make a statement.

[The opening statement of Mr. Gonzalez follows:]

Opening Statement of Chairman Henry B. Gonzalez
Housing Subcommittee Dallas Field Hearing
Tuesday, October 15, 1985

The jurisdiction of the Subcommittee on Housing covers all Federal housing programs, from housing for rural farmworkers, to urban public housing, to FHA mortgage insurance. The Subcommittee also deals with community development block grants and similar programs. Accordingly, to carry out our task, we need to understand what the housing needs are in specific cities. This is why we are in Dallas.

Today's hearing is part of a series of hearings that have taken the Subcommittee to migrant labor camps on both coasts and in the great plains area of Texas; from San Diego to New York, Milwaukee to San Antonio. We know what the statistics tell us, for Wasington is awash in numbers and data; but a legislator must also understand the look and feel of the country, and the only way to do that is to go and see.

Dallas is one of the nation's most dynamic cities; prosperous, proud and growing. As of 1980, about 1.6 million people lived in Dallas County. There were then about a half million housing units, of which about half were rental units.

Despite the glitter, the census tells us that about 7 percent of the population here is poor. There are enough poor people in this city to constitute a city of considerable size--probably about 120,000. And here, as in Houston, only about half the poor receive any form of public assistance. Even in the most prosperous places, there are people left behind and left out.

There are about 402,000 housing units here in Dallas, but of those about 72,000 are structurally substandard in one degree or another. Most of those houses can be fixed up, but about 8300 are beyond repair. These are the homes of the poor and the near-poor.

Dallas has about 11,100 assisted housing units available through the Dallas Housing Authority. This is about one assisted unit for every 10 poor people who need and could qualify for housing assistance. Thus, only a fraction of the people who need housing assistance here, have any real chance of obtaining help. Probably most of these people who cannot obtain housing assistance are living in substandard housing. Many are living in crowded conditions; not less than 4 percent of the housing units here are overcrowded, that is, have more than 1.1 persons per room.

Although the Federal government allows the issuance of tax-exempt bonds to povide below-market interest rate loans, a study published by the Dallas News shows that very little of this help is going to the city's 162,000 low and moderate income households. Thus, the majority of this form of Federally subsidized housing is not helping the people who are most in need.

Yet, directly subsidized housing programs like public housing or section 202 housing for the elderly are virtually at a standstill. The Administration proposes a flat, two-year halt in new assisted housing. This is housing for which people must demonstrate a need, before they can move in. It is very unusual, almost unheard of, to find a family receiving a housing subsidy that does not really need one. But the indirect, tax-expenditure subsidies employed by the popular housing bond program appear to be largely wasted, insofar as housing for those most in need is concerned.

The point is that in a time of great Federal fiscal constraint, every community must use carefully the very limited housing resources that are available. We need to assure that what is available is used in the best and most effective way possible.

One concern of the Subcommittee is that public housing units that are demolished for one reason or another-- such as Washington Place-- be replaced, so that there is no net loss of housing for the poor. Nationwide, there are public housing units in what is now very valuable central business district land, and consequently there is great pressure to get rid of this housing and build high-value real estate. This pressure exists not just in Dallas; it also exists in Houston, in my own city of San Antonio, and in Chicago and New York among other places. But what do we do about the people who live in these places? For these people have no other place to go. Public housing may not be much, but for most tenants, it is that or the street.

Another concern of the Subcommittee is that existing public housing stock be maintained in sound, decent condition. This requires modernization, and we will look at modernization at Roseland Homes here in Dallas.

Homeless people exist in every city, and it appears that there is no city that has enough emergency shelter to meet the need. We want to understand what the situation is here.

We want to learn about housing patterns, and to receive information on reports of segregation in Federally assisted housing.

We want to understand what the problems are, how they can be solved, and how Federal programs can be shaped to become more effective tools. No city has the resources it needs to meet all the problems that must be addressed; all cities have success stories and failures. All cities can report rights and wrongs. We are here to get a perspective on this city, as we have in many others across the country. I am glad to be here, and look forward to the testimony that will be presented.

Chairman GONZALEZ. Mr. Bartlett.

Mr. BARTLETT. Thank you very much, Mr. Chairman, and on behalf of the people here we welcome you to Dallas, and I want to say on behalf of the people here who are involved in housing, and in housing issues, we very much appreciate you having this hearing in Dallas to discuss the problems and the solutions in public housing in Dallas.

We've made a great deal of progress with the Dallas Housing Authority since we began. We began late, in the early 1980's. We made our share of mistakes, but we've done a lot of things right also.

I want to take a minute and thank the chairman, Chairman Gonzalez, for the courtesies that you've extended to me since I've been on the Housing Committee with you when I first got elected to Congress in 1983. We do from time to time have our profound differences on a variety of issues in housing, but you've always been gentlemanly and displayed courtesy in giving us a chance to air our differences, and we've simply from time to time we've also found things that we agree on, and I know that you look forward to educating me further on housing issues as we continue on the Housing Subcommittee.

And I would say, Mr. Chairman, that I look forward to finding additional areas on which we agree.

The witnesses here today, both formal and informal, I think will provide us with a great deal of education on the reality of housing and housing issues.

As I look at the witness list, and the chairman has been courteous enough to give me a chance to have some input into the witnesses that have been invited, it seems to me that the witnesses have a great deal in common. We have a disparate group of witnesses that come to the housing issues from a wide variety of fields, but each of the witnesses are an expert in their fields, and they each come to the table with an understanding of viewing the issues of housing through noninstitutionalized, that is, through the eyes of the residents themselves.

I particularly look forward to the testimony from the tenants who will be here today, together with the testimony of both Dallas Housing Authority, and the city, and the county, the Step Foundation, and other partners in the process. We've discovered in Dallas that it takes all of us, it is not just one segment that can provide some of the solutions.

I'll be raising further questions on the same issues that, I think, the residents and the witnesses will be raising. I'll be focusing on some of the reform issues that you and I have discussed at great length on the Housing Subcommittee over these last 3 years.

Some of the issues I plan to focus on today will be first the desperate need for repair and rehabilitation of existing units. It seems to me that it is a long-term disgrace of this country, and a long-term disgrace of Dallas, that the Federal Government would continue to spend enormous sums of money in building new units, and yet still have such large numbers of units that are in such sad need of repair in which residents are living, 1.2 million public housing units nationwide, of which its estimated some 300,000 are in need of substantial repair and modernization, and of those 80,000 are in such need of repair and modernization, that they are indeed vacant. That parallels the numbers we have in Dallas, 7,500 units total, of which 1,500 are vacant, and more than that are in need of repair.

I think it's significant that we're having this hearing at Roseland Homes because Roseland Homes is the success story of how a combination of a partnership between Dallas Housing Authority, and the Federal Government, and HUD, and the tenants themselves, and the city, of how you can provide for a complete repair and modernization into decent, safe, and sanitary living standards for the residents here.

A parallel issue to repair is the issue of the deregulation of the modernization grants. It's one that the subcommittee has struggled with. We do have in the H.R. 1, the Housing bill for next year, a substantial move toward deregulation to allow housing authorities and tenants to set the terms of their own repair and modernization.

We were just out at Turner Courts this morning and it really did remind me and come home all the battles that we have had to have for no particular reason with HUD as to what kind of doorknobs to put on the doors, and whether to allow a deadbolt lock, and whether to allow strong screens, and mail slots, and peepholes in the doors, and other kinds of devices that the tenants desperately need, but somehow are against regulations.

It seems to me it's time that the Federal Government deregulate modernization and allow the local governments and the tenants themselves to choose the design of the modernization.

The second issue I'll be raising will be the issue of, as I have, freedom of choice. Much of the controversy that surrounds public housing today is a controversy that is needless in my judgment, and that is the controversy designed surrounding location of new units of public housing. It seems to me that we ought to adopt the freedom of choice approach in housing, and it's time to stop telling people where they have to live, and to allow people to live where they want to.

If the Federal role is, as it is, to assist people in their housing support, then we ought to do that through the use of certificates or vouchers, and then let people live where they choose to live. Related to that will be the areas of segregation in public housing, where we talk about both the problems and the solutions, section 8, affordability, and the availability of section 8 certificates to public housing tenants, and the availability of vouchers.

I think we also ought to talk about livability issues in terms of both design and security, and tenant management, home ownership issues. I'm not one to do—I think it's become far too fashionable in Washington to sort of give up on the prospect for low-income persons to own their own home. I'm not ready to give up on that prospect of home ownership, and I don't believe that low-income residents are ready to give up on that either.

And I guess last, Mr. Chairman, it will be replete all through the witnesses of this hearing, will be the concept of partnership. In Dallas we've developed through the Step Foundation, through common ground, and through other formal and informal vehicles, an understanding that it takes the entire community's involvement to provide decent, safe, and sanitary housing for residents of public housing.

I think related to that would be some of the things that Step Foundation has done in terms—in being a resource both to the tenants themselves, and the Dallas Housing Authority, and to the surrounding area. The concept of tenant management where you could help give the tenants a chance through residents counsel, and other things, to help manage their own units, and the responsibility of local governments.

So, Mr. Chairman, those issues of home ownership and livability, and freedom of choice, and repairing of existing units, and deregulation, will be some of the issues that I'll be focusing on. I know many of the witnesses will also.

I thank the chairman for the time.

Chairman GONZALEZ. Thank you, Mr. Bartlett.

We're very pleased and highly honored with our other colleague, also equally young and dynamic, and it's always very inspiring for me to see what we're getting in the form of new dedicated and selfless public servants in the shape and form of these young Congressmen from Texas.

I think many of you here in the room, such as John Schoellkopf, the chairman of the board, who incidentally, I might mention, joined us this morning since about 7 a.m. We made almost a 2-hour trip visiting some of the major housing projects.

He and I go back a few years, except I know that I'm older than he is, but he'll remember what Lyndon Johnson used to quote Sam Rayburn all the time, about answering the question of some of these out-of-staters, saying, "How come you send so many of these Texans up here to the Congress, and they make a headway," and he said, "Well, we pick them young, we pick them honest, we send them there, and we keep them there."

And it's a pleasure really to have with us this morning John Bryant, and without any further ado, we recognize you, John, at this point. Thank you for being with us.

STATEMENT OF HON. JOHN BRYANT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. BRYANT. Thank you Mr. Chairman.

I would first like to say thank you for bringing your subcommittee to Dallas, and to make the observation here at home that while the winds are blowing the other way, the political winds are blowing the other way, Congressman Gonzalez has been one of the only people that has been the consistent spokesman for making public housing a budgetary priority in the Congress, and that's a pleasure for me to welcome you to my congressional district this morning for this hearing.

I'm not a member of your committee, and I appreciate very much the courtesy you've extended to me allowing me to join you for a little while this morning.

I would simply observe that you can discuss all kinds of aspects of public housing, and various ways of making it available, and so forth, but the real fundamental question is whether or not we're going to make public housing for people that can't afford either temporarily or permanently to buy, or to own, or to rent the home, whether we're going to make that a budget priority in the United States.

It's a simple question. It's not a very complicated one. It's whether or not we're going to make public housing a budgetary priority federally and locally, and I think that's really the only question. Some folks are for that, and some folks are not for that. And I think that's really what it boils down to.

I hope the hearing this morning will help highlight the need for it, will help highlight the local situation with regard to public housing, and I think the most valuable testimony we'll get this morning will not be the statements made from up here, or from those of us who hold public office, but will be from the people that are working every day with homeless people trying to find them a place to live and know exactly what the situation is.

So I think it's incumbent upon all of us in the Fifth Congressional District to say welcome to you, Mr. Chairman, and thank you for coming to Dallas.

Chairman **Gonzalez**. Thank you very much, Congressman. I deeply and sincerely appreciate those very generous remarks.

Another equally distinguished and very much respected and actually affectionately cared for by the colleagues who are from Texas is Congressman Martin Frost. Now, he couldn't be here today. We knew that. But as I said, this is a postponed meeting.

I might also explain that today the House is not in session. Yesterday was a Federal holiday, so these were the only 2 days we knew for sure we could hold hearings because nobody knows what our schedule is going to be next month. We don't know when we're going to be adjourning. We don't know what the program will be, even for a Veterans Day break.

So, these were the 2 days we had available to make up for the August 28 and 29 canceled hearings.

So that Congressmen usually plan ahead, and know that when they have those two district workdays, they tie themselves off, and I can readily understand. However, we have Ms. Cinda Crawford, who is field representative for Congressman Frost. And I would like to recognize her at this point. And if she wishes to present the formal statement that Congressman Frost sent to us, we'll be honored to do so, if you wish to take the witness stand. Whatever you wish, Ms. Crawford.

You can offer the prepared text for the record, and then summarize, or you can read your message from Congressman Frost.

STATEMENT OF CINDA CRAWFORD, FIELD REPRESENTATIVE FOR CONGRESSMAN MARTIN FROST

Ms. **Crawford**. OK. Thank you.

Thank you, Chairman Gonzalez, Mr. Bryant, Mr. Bartlett. My name is Cinda Crawford. I'm a field representative for Congressman Martin Frost. And as you mentioned, unfortunately he couldn't be here in Dallas today.

He did ask me to present this brief statement on his behalf, and thanks the committee for allowing us to do so.

Mr. Chairman, I'm pleased that the Subcommittee on Housing has come to Dallas to examine the impact of Federal policies on public housing in our city, and I thank the chairman for giving me this opportunity to present testimony today.

As you know, Dallas is a robust, optimistic community that has enjoyed considerable economic growth during the last 2 years. We are proud of this growth, and the positive impact it has had on our city's economy; however, not all of our citizens have been fortunate enough to benefit from this growth and still require public housing assistance.

Approximately one-half of the Federal housing units in Dallas are located in the 24th Congressional District. So, I'm well aware of the problems faced by those in need of public housing, and am encouraged by the subcommittee's decision to come here and explore options to improve low-income housing conditions in our city.

Federally assisted housing programs administered by the Department of Housing and Urban Development have played and continue to play a major role in ensuring that decent and affordable housing exists for many low-income individuals and families. However, despite some success in providing housing, many problems remain to be resolved.

The demand for decent housing is high, and the supply of available housing units is not nearly enough to meet this demand.

More units must be built or rehabilitated to address this critical shortage. Figures provided to my staff by the Dallas Housing Authority clearly indicate the tremendous demand for housing assistance. According to the DHA, 800 families a month contact that agency to request some type of housing assistance; 675 families have completed the eligibility process, and have been approved for public housing, but are on waiting lists until units are available. And 560 families have qualified for section 8 certificates, and are looking in the open markets for housing.

So, the need for additional housing is obvious, and it is certainly appropriate that this issue be addressed in detail today.

Also, here in Dallas we are seeing an increase in the number of those who are literally homeless, and in immediate need of temporary shelter, and all too often food and medical assistance as well.

This too will be discussed today, and I will look forward to studying the comments of those who work daily to help these unfortunate individuals.

Additionally, segregation in public housing is a major problem. As you know, Congressmen Bryant, Bartlett, and myself, brought a Dallas Morning News investigative series to the subcommittee's attention last spring. This series found that segregation in public housing is a serious problem throughout the country, and the Dallas area is no exception.

While this problem will be discussed in some extent today, it will be the subject of more indepth hearings in the future, and I look forward to commenting further on this issue at that time.

We have worked here in Dallas on housing problems in a bipartisan fashion. We may not always agree on the best course of action, as the sale of Washington Place illustrates, however, our goals are the same, to assure that all citizens of Dallas have safe, decent, and affordable housing.

Again, Chairman Gonzalez, thank you for allowing me this opportunity to present testimony to the subcommittee this morning.

Thank you.

[The prepared statement of Congressman Frost presented by Cinda Crawford follows:]

TESTIMONY OF CONGRESSMAN MARTIN FROST
24th CONGRESSIONAL DISTRICT - TEXAS

Before the Subcommittee on Housing and Community Development
October 15, 1985 - Dallas, Texas

Mr. Chairman, I'm pleased that the Subcommittee on Housing has come to Dallas to examine the impact of federal policies on public housing in our city, and I thank the Chairman for giving me this opportunity to present testimony today.

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Approximately one-half of the federal housing units in Dallas are located in the 24th District. So, I'm well aware of the problems faced by those in need of public housing and am encouraged by the Subcommitte's decision to come here and explore options to improve low income housing conditions in our city.

Federally assisted housing programs administered by the Department of Housing and Urban Development have played and continue to play a major role in ensuring that decent and affordable housing exists for many low-income individuals and families. However, despite some success in providing housing, many problems remain to be resolved. The demand for decent housing is high, and the supply of available housing units is not nearly enough to meet this demand. More units must be built or rehabilited to address this critical shortage.

Figures provided to my staff by the Dallas Housing Authority clearly indicate the tremendous demand for housing assistance. According to DHA, 800 families a month contact that agency to request some type of housing assistance; 675 families have completed the eligibility process and have been approved for public housing but are on waiting lists until units are available; and 560 families have qualified for Section 8 certificates and are looking in the open market for housing. So the need for additional housing is obvious, and it is certainly appropriate that this issue be addressed in detail today.

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We have worked here in Dallas on housing problems in a bipartisan fashion. We may not always agree on the best course of action, as the sale of Washington Place illustrates. However, our goals are the same -- to ensure that all the citizens of Dallas have safe, decent, and affordable housing.

Again, Chairman Gonzalez, thanks for allowing me to present testimony to the Subcommittee this morning.

Chairman **Gonzalez**. Thank you, Ms. Crawford, and thank the Congressman for us.

I might say, Ms. Crawford, that we have planned to have formal hearings so we will have more of a national perspective in Washington with respect to the existence of discrimination in public housing.

We had anticipated having the hearings last month on September 19, but the HUD Secretary was unavailable. So we're waiting for the time when we can have the Secretary because he did conduct an extensive survey. He sent us a preliminary letter and report.

So we feel that in the not too distant future we'll be able to reset a very formal and comprehensive hearing from a national perspective. So we won't give the idea that because the Dallas Morning News really developed that, it's really a Dallas problem. It's really nationwide.

Thank you very much.

Our first panel consists of Hon. John Price, who is the Dallas County Commissioner, and Ms. Diane Ragsdale, who is a member of the city council of the city of Dallas.

And at this point we would like to request both witnesses to take the table here.

Mr. Price, I believe you're over here to my right.

STATEMENT OF JOHN PRICE, DALLAS COUNTY COMMISSIONER

Mr. **Price**. Thank you, Mr. Chairman, members of the committee. We want to welcome you and thank you for this opportunity to testify here in Dallas today.

To my former colleague on the Dallas Housing Urban Rehabilitation Committee, Congressman Bartlett, to my friend and colleague, Representative John Bryant from the Fifth Congressional District, of whom the other one-half of the housing units in this—public housing units in this city, whose area they lie in.

With all due respect, Mr. Chairman, I would defer somewhat to my colleague, Deputy Mayor pro tempore Ragsdale, inasmuch as it is the chivalrous thing to do here in Texas. We still practice chivalry.

But at the risk of being repetitive, I want to thank all of those who made statements for almost giving verbatim our testimony. It's interesting that you have eclipsed what I consider to be the highlights of what the profile is of what's going on here in Dallas.

But I will defer to deputy mayor pro tempore, Diane Ragsdale.

Chairman **Gonzalez**. Excuse me, Commissioner Price. Would you, for the sake of the reporter, indicate for which district you serve as commissioner.

Mr. **Price**. I'm sorry. I am John Wiley Price, and the Dallas County Commissioner for district 3 in Dallas.

Chairman **Gonzalez**. All right.

Mr. **Price**. Which probably encompasses not only half, but probably all of the public housing units in Dallas.

Chairman **Gonzalez**. All right. Thank you very much, sir.

Ms. Ragsdale.

STATEMENT OF DIANE RAGSDALE, DEPUTY MAYOR PRO TEMPORE OF DALLAS

Ms. **Ragsdale.** Good morning.

Let me begin by saying that I'd like to thank you—I'd like to say thank you to the members of the Housing Subcommittee, and certainly to you, Congressman Gonzalez, for housing this public hearing here in Dallas.

My name is Diane Ragsdale, the deputy mayor pro tempore of the city. More specifically, I am the councilperson for district 6.

Good morning, Congressman Bartlett. Good morning, Congressman Bryant.

Since I first was elected to the city council, and indeed, in my community we're proud to be elected, the housing crisis facing low-income people has been a major concern to me.

For many of my neighbors and constituents, the problem of securing decent, affordable housing is not a theoretical one. It is instead an ongoing struggle.

The situation in public housing in the city of Dallas is problem enough, to be sure. However, because of the limited number of public housing units here, relative to both total population and to the need, because of the high vacancy rate and bought up rate in the public housing that does exist, and because of the willingness of the local housing authority to sell off public housing units whenever it's convenient——

Because of these factors, Mr. Chairman, the local affordable housing crisis involves many dimensions outside the scope of simply public housing.

People who built this city in a superficial manner on only a brief visit believe the booster's version of conditions here are usually surprised to find the actual problems which exist in the neighborhoods and on the streets of Dallas. It is as if a sophisticated know-nothingism was at work most of the time. Occasionally an uncomfortable fact will escape from us behind the walls of shallow optimism and chamber of commerce press releases.

For instance, the fact that infant mortality rates are twice as high in the poor areas than in the affluent areas of Dallas or the fact that children living in their industrial lead smelters suffer from toxic levels of lead in their bodies. Or the fact that literally thousands of Dallasites have no homes at all. But as a rule in Dallas, it takes a crisis of great intensity, or a citizen movement in mass proportions, to force awareness on reluctant public officials.

So, it is with the crisis facing low-income citizens of Dallas, as they try to reserve or obtain a home for their families. It is my hope that this hearing will assist public officials, and citizens in our city, to understand the scale and the urgency if this housing crisis, of which the future of public housing is only a part, before it is too late.

A city with almost 70,000 families living in substandard conditions, roughly one out of five households is, in my view, in great peril. A city where most low-income renters pay most of their income for rent is, in my view, in great peril.

The danger I'm concerned with here is not necessarily that of large scale social unrest, though surely the potential exists. No, I'm talking about the dehumanizing impact of these inhumane conditions. Not only are those who suffer them directly, but also on those more affluent citizens who refuse to recognize them, and decline to commit resources necessary to relieve them.

Having suggested the moral dimension of this issue, let me say that affordable low-income housing is not merely a moral issue. As public officials, we come together to discuss the crisis. We need to remember that compassionate talk does not build or reserve housing units. No, it doesn't produce one development.

On this issue, as on other urgent problems we face in this city, or any American city, we need to put our resources where our values are. In short, compassion needs cash to make public policy.

Moreover, when the housing market proves incapable of serving the housing needs of families earning less than $15,000 annually, we are confronting a serious bread and butter, nuts and bolts issue that has consequences for the whole economy.

The job market, the school systems, the tax base, you name it. What does it mean in the long run if the average family, not the poorest, but the average family cannot afford to buy an average priced home in Dallas, TX.

I get calls in my office, and at home, from all sorts of people trying to buy or rent a place to live. I mean people who work full time for insurance companies. Women with children making less than $14,000 per year. Officeworkers taking home less than $300 per week, the kinds of folks who keep these skyscrapers in business, people who work full time for the city of Dallas need a subsidized apartment; I mean, deliverymen, security guards, teachers' aides, shipping clerks, nonunion carpenters, who cannot afford the houses they build, receptionists, cashiers. I mean, regular hard-working wage-earning people who are not being served adequately by the housing market.

It may be easier to see this crisis in the worst housing conditions, suffered by the poor citizens of Dallas, but this is one crisis which is trickling up through the income range to claim even the once solid middle class.

Let me also emphasize that the limit on the housing choices for black citizens involved more than cost factors. Consider the major lending institutions of this financial center: is it only cost factors that prevent every single one of them from opening a branch facility in south Dallas? Even the Dallas Housing Finance Corp. whose chairman is my appointee, hasn't been able with his tax-exempt financing to lure a single major development into black inner-city neighborhoods.

The line drawn around our neighborhoods may be red, but the victims of redlining are mainly black and brown. Or consider the conditions in publicly subsidized housing. Is it only the age of the tenants that causes the housing authority to maintain standard conditions in the elderly projects occupied by mostly whites, while permitting the wholesale deterioration of the family projects occupied primarily by blacks and browns?

I know that other speakers here today will present fairly detailed recommendations and testimony concerning the housing crisis, and the future of public housing.

I will conclude my remarks with a few basic initiatives.

First, specifically concerning public housing. I believe that all sales of public housing units should be prohibited. The sale of Washington Place has proved to be a disaster. It never should have been permitted.

The so-called replacement units at least the three and four bedroom units, are still only a promise. It will be years before they house even one family, if they are even built.

Concerning redlining. I'd like to see a more aggressive response to this problem. The CRA, Community Reinvestment Act, am I right? Provides a framework for this, but the results of my constituents have been minimal.

Concerning Federal resources for housing. I don't believe they should be limited to block grants, or subsidies through the public housing authorities. In a sense, the discretion allowed to local officials in block grants has resulted in a diversion of funds from areas of greatest need. For my constituents, direct access to HUD resources through community groups would be more effective. Just look at the city of Dallas general fund budget. There's no priority given to housing, or to any low-income need beyond the Federal contributions. That's why communities in need turned to the Federal Government during the 1960's in the first place.

Concerning tax-exempt bond financing, there must be ways to legislatively target these funds toward lower income households.

Finally, I want to say that we should have no illusions about the priorities of the current administration in Washington. I don't believe low-income housing is even on the list. Still, on a small scale there are some grounds for hope. The task facing the Congress, and the Dallas City Council as well, is providing the resources to help low-income citizens themselves to improve their housing conditions and opportunities.

Thank you so very kindly, gentlemen.

[The prepared statement of Ms. Ragsdale follows:]

Remarks of Deputy Mayor Pro Tem of Dallas Diane Ragsdale before the Subcommittee on Housing and Community Development of the U.S. House of Representatives, Dallas, Texas, 10/15/85.

Good morning. Let me begin by saying thank you to the members of the Housing Subcommittee and to you, Congressman Gonzalez, for hosting this public hearing in Dallas. Since I first was elected to the City Council--and, indeed, in my community work prior to election--the housing crisis facing low-income people has been a major concern to me. For many of my neighbors and constituents, the problem of securing decent, affordable housing is not a theoretical one; it is instead an ongoing struggle. The situation in public housing in the City of Dallas is problem enough, to be sure; However, because of the limited number of public housing units here--relative to both total population and to the need; because of the high vacancy rate and board-up rate in the public housing that does exist; and because of the willingness of the local housing authority to sell off public housing units whenever it's convenient, as in the sale of Washington Place--because of all these factors, Mr. Chairman, the local affordable housing crisis involves many dimensions outside the scope of simply public housing.

People who view this city in a superficial manner, or on a brief visit, or who believe the booster's version of conditions here, are usually surprised to find the actual problems which exist in the neighborhoods and on the streets of Dallas. It is as if a sophisticated "know-nothingism" was at work most of the time. Occasionally an uncomfortable fact will escape from me behind the walls of shallow optimism and chamber of commerce press releases. For instance, the fact that infant mortality rates are twice as high in the poor areas than in the affluent areas of Dallas. Or the fact that children living near industrial lead smelters suffer from toxic levels of lead in their bodies. Or the fact that literally thousands of Dallasites have no homes at all. But as a rule in Dallas, it takes a crisis of great intensity or a citizen movement in mass proportions to force awareness on reluctant public officials.

So it is with the crisis facing low-income citizens of Dallas as they try to preserve or obtain a home for their families. It is my hope that this hearing will assist public officials and citizens in our city to understand the scale and the urgency of this housing crisis, of which the future of public housing is only a part, before it is too late. A city with almost 70,000 families living in substandard conditions--roughly 1 out of 5 households--is, in my view, in great peril. A city where most low-income renters pay most of their income for rent is, in my view, in great peril. The danger I'm concerned with here is not necessarily that of large-scale social unrest, though surely the potential exists. No, I'm talking about the de-humanizing impact of these inhumane conditions--not only on those who suffer them directly, but also on those more affluent citizens who refuse to recognize them and decline to commit the resources necessary to relieve them.

Having suggested the moral dimension of this issue, let me say that affordable low-income housing is not merely a moral issue. And when as public officials we come together to discuss this crisis, we need to remember that compassionate talk does not build or preserve housing units--no, it doesn't produce one development. On this issue, as on any other urgent problem facing this city or any American city, we need to put our resources where our values are. In short, compassion needs cash to make public policy. Moreover, when the housing market proves incapable of serving the housing needs of families earning less than, say, $15,000 annually, we are confronting a serious bread-and-butter, nuts-and-bolts issue that has consequences for the whole economy. The job market, the school system, the tax base, you name it. What does it mean in the long run that the average family--not the poorest, but the average family--cannot afford to buy the average priced home in Dallas? I get calls in my office and at home from all sorts of people trying to buy or rent a place to live. I mean people who work full-time for insurance companies, women with children making less than $14,000 per year; office workers taking home less than $300 per week, the kind of folks who keep these skyscrapers in business; people who work full time for the City of Dallas needing a subsidized apartment; I mean delivery men, security guards, teacher's aides, shipping clerks, non-union carpenters (who can't afford the houses they build), receptionists, cashiers;

Remarks of Diane Ragsdale/continued

I mean regular hard-working, wage-earning people who are not being served adequately by the housing market. It may be easier to see this crisis in the worst housing conditions suffered by the poorest citizens of Dallas, but this is one crisis which is "trickling up" through the income range to claim even the once solid "middle"-class.

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Remarks of Diane Ragsdale/continued

I know that other speakers here today will present fairly detailed recommendations and testimony concerning the housing crisis and the future of public housing. I'll conclude my remarks with a few basic initiatives.

1. Specifically concerning public housing, I believe that all sales of public housing units should be prohibited. The sale of Washington Place has proved to be a disaster; it never should have been permitted. The so-called replacement units--at least the 3 and 4-bedroom units--are still only a promise; it will be years before they house even one family--if they are ever even built.
2. Concerning redlining, I'd like to see a more aggressive response to this problem; the CRA provides a framework for this, but the results for my constituents have been minimal.
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City of Dallas general fund budget: there's no priority given to housing or to any low-income need beyond the federal contributions. That's why communities in need turned to the federal government during the 1960s in the first place.

4. Concerning tax-exempt bond financing, there must be ways to legislatively target these funds toward lower-income households.

Finally, I want to say that we should have no illusions about the priorities of the current Administration in Washington. I don't believe low-income housing is even on the list. Still, on a small scale there are some grounds for hope. The task facing the Congress, and the Dallas City Council as well, is providing the resources to help low-income citizens themselves to improve their housing conditions and opportunities.

Thank you.

Chairman GONZALEZ. Thank you very much, Ms. Ragsdale.

Yes, Mr. Price.

Mr. PRICE. Mr. Chairman, at the risk of my colleague making it sound as though there is a conspiracy that may allude to the fact that I could probably announce a lot more in terms of the whole conspiratorial effect, I am going to submit to you, to the panel, for purposes of the record this, because I think that Ms. Ragsdale, or Deputy Mayor pro tempore Ragsdale, has articulated quite adequately the concerns of both her particular district, and mine.

It's ironic though, and as I listen to you in your opening remarks, I hear you laud Congressman Bartlett, Roseland Homes, and all of the progress that has gone on in this particular neighborhood. However, I'm going to ask you not to look now, but Roseland Homes is probably in trouble. It's probably in trouble for a number of reasons because as Deputy Mayor pro tempore Ragsdale alluded to the fact the development in and surrounding this particular community, we understand property of this value and this magnitude. There was once something called Washington Place, which is now known as Exall Park. Well, not very far from here there is a place that's called Exall Park, and, as you know, we are surrounded now by the City Place Southland development.

I see Roseland Homes as being a project that may be dated, and unless we have the kind of Federal legislation that prohibits the sale of public housing projects, then we are going to have a problem, a crisis in this city in terms of what happens with public housing.

There is no commitment in this city. There is exportation at the county, city, State, and even the Federal level, in terms of those moneys that have been appropriated for low- to middle-income homeowners, single-family homeowners.

As you know, Congressman Bryant, and probably Congressman Bartlett, and, of course, Mr. Chairman, you probably have read of all the problems that have been probably somewhat uncovered in the 1983 single-families' Morgan housing projects here in Dallas, homeowner projects.

We're concerned that in terms of public housing we are looking at resegregation. As I listened to you a few minutes ago, Congressman Bartlett, even if we were to make that application that you suggested in terms of providing subsistence wherein individuals could locate wherever they would want to, I think the subsistence would be so menial that we would find that they would still be located primarily in commissioner's district 3, and council district 6, probably in Congressional District 5, and in Congressional District 24.

So I think we're still looking at the same age-old problem.

I implore this committee to do more than just to hold hearings. I implore this committee to return with some real commitment to say that we are going to do more than to continue to articulate around this country the needs.

As you said, Mr. Chairman, the needs seem to be the same wherever you go. Dallas is the seventh largest city in the Nation. It's the third richest per capita. But by the same token, better than 12 percent, and I think you said 8, but 12 percent of this city's population finds itself in some form of abject poverty. Housing is critical, as you well know, and we implore you to do something else other than just hold hearings around this country.

Chairman **Gonzalez**. I had one question, but since you addressed yourself to Congressman Bartlett, I will recognize him, if he wishes to address some of your issues, or you wish to say something. If not, I'll be glad to go ahead with my question.

Mr. **Bartlett**. Mr. Chairman, I have a series of questions. Anywhere from 5 minutes, to 60 minutes, depending on how long——

We have a number of witnesses, and I might say, Mr. Chairman, we didn't say at the beginning, but from my perspective I'm very hopeful that we can save some time both before lunch and then at the end of the day also and have a public microphone, an open microphone for some of the residents who are here also.

Chairman **Gonzalez**. We do that as a matter of procedure in our hearings. We did it yesterday in Houston, and we had a total of about 14 after we had concluded the formal hearing.

Well, I'll proceed then, and I think we will limit—we'll go to the 5-minute rule. If there's no objection, we'll go to the 5-minute rule. Otherwise, we have a fairly substantial list of witnesses.

You represent district 6 on the city council.

Ms. **Ragsdale**. That is correct, Congressman.

Chairman **Gonzalez**. Do you have at-large members on your city council?

Ms. **Ragsdale**. Yes, we do. We have eight single-member districts, and three at large.

Chairman **Gonzalez**. I see.

Ms. **Ragsdale**. Yes, one Mayor, and two at large, yes.

Chairman **Gonzalez**. I see. All right.

In the city of Dallas what has been the apportionment of community development block grant funds for the question of housing, whether it's rehabilitation, and how much, if any, of the general funds have been diverted by the city council of the city of Dallas for housing?

Ms. **Ragsdale**. Just most recently, Congressman, we have begun to, in my opinion, place a greater emphasis on housing as it relates to the community development budget. There is very minimal as relates to the general budget. I'm sure it's less than 1 percent without question, in my mind, directly toward housing. Of course, when you look at overall health and human services, you might get larger, but as in relation to housing, relative to the general budget, there's no doubt in my mind it is less than 1 percent.

Now, as it relates to the community development budget specifically, most of the money at this time is spread abroad, is spread pretty equitably, as I would say.

Now, public works, we just recently were able to limit a great deal of CD money going to public works. At one point in time a great deal of money was going to public works, which, in my opinion, limited the amount of money which has gone to housing. Of course, one reason in my mind is that the CD area in this city is so large, the council establishes the CD area, although we receive the funding. But the CD area, in my opinion, encompasses more than just what I consider to be a pocket of poverty.

We have middle-class areas which are now eligible for CD moneys.

Beyond that, the overall—the housing perspective, I really don't know the percentage as it relates directly to housing when it comes to CD value.

Chairman **Gonzalez**. Has any effort been made, or any expenditure of city funds, for the purposes of renovating, or rehabilitating whatever substandard dwellings surround, for instance, this development, Roseland? I would think that that's a very important point.

Is the city doing anything in that respect?

Ms. **Ragsdale**. OK. Mighty good.

First of all, of course, I've been—it's been recommended to me initially to establish to you that councilman—and I both establish a moratorium as it relates to the demolition of structures because the Urban Rehab Standards Board, of course, on an average has been demolishing almost 1,000 units per year. And so we have now established a moratorium hoping to find alternatives to demolition.

Congressman Gonzalez, if you don't mind, repeat the question previously.

Chairman **Gonzalez**. Well, what I'm wondering is, if the city of Dallas has the substantial rehabilitation or renovation program, whether either through development funds or city funds are being used to rehabilitate the rental or the owner-occupied housing that surrounds this project?

Ms. **Ragsdale**. All right, I understand you now. Thank you.

First and foremost, there are moneys within a CD budget for the following:

There's rental rehab moneys, primarily for multifamily units.

There is money for home repair grants, home repair loans, depending upon one's income.

And, of course, by and large, that's it, as it relates to CD moneys. Rental rehab, home repair loans, and home repair grants.

We've attempted to increase one's ability to buy a home by using tax-exempt financing through the Housing Finance Corporation; however, though, that has not worked when it comes to low-income communities at all. And that's why I emphasize that somehow we need to make this tax-exempt financing, bond financing, more accessible to low-income communities, because at this time it is absolutely not.

Chairman **Gonzalez**. My questions are addressed to either one of the two panel members.

Mr. **Price**. Mr. Chairman, let me——

Chairman **Gonzalez**. More specifically, is anything being targeted in this area to the renter, or the owner-occupant?

Mr. **Price**. No, sir. To be very emphatic, Mr. Chairman, no, it is not, and that's one of the reasons in my remarks I alluded to the fact that what is happening with most housing projects is that they are located in the inner city where the lands have become extremely valuable. As a result, there has not been any kind of subsistence ordered in terms of renovation in and around those areas.

Another reason, I allude to the fact that Roseland Homes for the most part is probably in trouble. Roseland Homes is probably not located more than a mile or two from where the recently sold Washington Place housing projects were demolished. Not only that. Between Roseland Homes—just to give you some geographic picture—between Roseland Homes and Washington Place lies a project called Bryan Place.

As we talk about tax-exempt moneys and financing, we found out in discovery some 1983 moneys that the majority of those moneys went to two census tracks in this city. One is in a predominantly white Caucasian area in Pleasant Grove, and the other is in Bryan Place.

The minimal home in the Bryan Place area, again, which was, in fact, an area that we commonly refer to as short North Dallas, and where this area is geographically located. We went to those homes which now approximate minimum $125,000 to $135,000. Those areas were areas that were formerly occupied by renter tenants.

We've got a real problem in this city, Mr. Chairman, and probably not unlike other cities, but until a—your committee, or some Federal agency decides that they're going to investigate the conspiracy that's going on in terms of housing, be it tax-exempt bonds, housing, be it other kinds of housing in terms of the commitment, when we talk about DHA, when we talk about housing units that are now boarded up, we cannot get a specific answer, and I see Mr. Jack Harrington, is a director of HUD, who is here today, we need to extract why there is no commitment in terms of funds to—while there's a waiting list, as Ms. Crawford from Congressman Martin Frost's office alluded to, when there's a waiting list for people to find affordable, standard housing, why there's a waiting list at the DHA, and why, in fact, those homes, a number of them, are boarded up.

There's a problem in this city, and there is no commitment.

Chairman **Gonzalez**. This is true throughout the country. In fact, we have been emphasizing this. Yesterday we had all day hearings in Houston where it seems to me that the problems here kind of shrink in proportion to what we saw yesterday there.

But Chicago, for instance, where we will be going, that's exactly the same problem.

Now, let me say that Dallas is very fortunate because it has representatives like yourselves that are not only outspoken, but very well dedicated and pointed in the right direction.

This isn't true in most of these other communities. So, hopefully, that will sooner or later have to make its mark locally where most of the decision will ultimately have to be made.

I just feel that this is exactly the reason we're having these field hearings. That's the main reason.

Mr. **Price**. Well, we had listed your assistance here. It's one thing for us as local representatives to try to be involved in the process, or try to eradicate, but we elicited your assistance because we——

Chairman **Gonzalez**. Well, we're trying, and it is kind of a low period for us on the national basis, but this is why we're having hearings because we can be of mutual assistance. We're here, we gather the facts, and that enables us to in better ways fight up there in the Halls of Congress.

Ms. **Ragsdale**. Let me elaborate on the original question that Commissioner Price has said.

And that is the whole issue of redevelopment of the inner city. That simply means that for whatever reasons the uses change from low to moderate income, to, in essence, upper middle income, identification, the displacement of lower income people to accommodate middle income people. If it's not identification, then it's total redevelopment. If it's not the elimination of the structures, then what you have is actually a tall office building, or a totally different use, such as townhomes, condominiums, as well as office structures.

What happens is they deliberately, I feel, intend to redevelop certain areas. And since land, by and large, in lower income communities initially is somewhat inexpensive, then what happens is that speculators come in and speculate a great deal on the land hoping that one day there is a true redevelopment that takes place.

Commissioner Price has already indicated that we are now located in an area better known to us as short North Dallas, which has totally been raped. The low-income people, black community, Hispanic community, has been raped of its resources. And what has happened, by and large, is that a total redevelopment project, or total redevelopment process has taken place.

Now, I want to reemphasize how public policy can hurt if you do not have a good public policy, and I must move toward Bryan Place.

There was a public policy which involved area—which was called an Area Redevelopment Program. At one point in time Bryan Place was—where it's now located was occupied by——

Chairman GONZALEZ. Is that Bryan or Bryant?

Ms. RAGSDALE. It's B-R-Y-A-N.

Chairman GONZALEZ. Well, I was just thinking if he had anything to do with this, we wouldn't want the record to show any conflict of interest here.

Ms. RAGSDALE. OK. But at one point in time the—that area was occupied by low-to moderate-income people. The area was redeveloped. In my opinion, of course, even some public policy from a local number from using code enforcement as a means to move those individuals, as a means to continue to harass those individuals, and so, therefore, what happened was the existing—that given developer and the city worked hand in hand, in my opinion, to move and to redevelop that given community.

And, of course, although code enforcement can be used as a means without question to rise and to step up the redevelopment of the given area, as opposed to code compliance of what we can do to assist you.

So, public policy can indeed demolish homes. Public policy can indeed redevelop areas, and just develop people right on out because the price of the land can escalate, can elevate.

Chairman GONZALEZ. There is no question of that.

At this point we'll recognize Mr. Bartlett.

Mr. BARTLETT. Thank you, Mr. Chairman.

As I listen to your questions, I first thought that you were going to ask all my questions, but then you've raised three questions for every one that I'd crossed off the list, so let me try to do what I can in 5 minutes.

First, Mr. Chairman, I'd like to ask unanimous consent that with the permission of the deputy mayor pro tempore, that we keep the record open, and, I think, I'd like to see the exact numbers and figures on the allocation of community development block grant with regard to specifically public housing because I know that Roseland was started with a challenge grant from the city which occurred on a 6 to 5 vote, incidentally, so it wasn't quite as easy as it sounds. Over $1 million to start the Roseland project in 1979. It came from CDBG. We were just out at Rhodes Terrace where some curb, and gutter, and street—underground utility work, the unglamorous kind, has been done. And I don't think the city at all has been perfect with this community development allocation. But I would like to see the exact allocation.

Ms. RAGSDALE. Fine. And what I would like to do too, if there's time, Congressman Bartlett, I'm sure in the audience is our housing director by the name of Harry Jones—would you stand, Harry, please, if you're still in the audience.

OK. Who is the director of our housing department at this time under which the CD moneys fall.

Mr. BARTLETT. The city of Dallas.

Ms. RAGSDALE. The city of Dallas, correct. So if those moneys—if you don't have those questions, perhaps—I know he will testify—but if he doesn't have—perhaps he could give you those answers when he comes up here and testifies.

Mr. BARTLETT. Well, if we could just leave the record open and then get the exact numbers.

Ms. RAGSDALE. Please.

Chairman GONZALEZ. Without objection, so ordered.

Mr. BARTLETT. Let me move off of that subject a little bit and inquire—as you know, we have an extraordinarily able residents council here at Roseland Homes, and in a number of the public housing projects that have been very helpful in designing the modernization, and seeing that the—oftentimes their suggestions as far as the management, have been quite helpful in terms of the operations.

In your judgment, should the Federal Government go further toward tenant management opportunities, or is that something that you don't support?

Mr. PRICE. Well, Congressman Bartlett, with all due respect, I think you enumerated it in your opening remarks. I think, that the residents council probably know best what they need in terms of adequate and safe housing within those particular units.

I think that probably the Federal Government at that particular end probably should not be in the policing end of what tenants at those particular locations find that they need within reason. I have no problems with that.

The problem again that I continue to allude to is not one of policing. It's one of failure to police the agencies period that are using the Federal Government, be it through again by and through tax-exempt bonds, whatever mechanism that they have at their avail, to continue to perpetrate certain atrocities was up on public housing.

The people while modernizing this particular unit, may or may not be visionary enough to understand that 10 years down the road they may or may not be here. It's hard for me to envision that right in the shadow of an icon of a twin story $423 million development, they're going to permit Roseland Homes to stay here 10 years down the line. And I find that extremely difficult to believe when I just testified that to the south of here, you know, you're talking about homes, single family units, that start at $125,000 to $135,000. They're bound on the west by what is going to be—would be used to called again, short North Dallas, as we allude to it. That area has been totally cleared out. There is no community almost within that census track whatsoever.

And, so, therefore, I find out while they have good intentions, and they're working for their own best interest, I think, that they also understand that maybe somewhat—the efforts may be futile because I don't envision Roseland Homes being Roseland Homes, and I hope I'm wrong.

Mr. Bartlett. So you do, or do not, favor increased tenant management?

Mr. Price. I do favor increased tenant management.

Mr. Bartlett. Thank you. Ms. Ragsdale?

Ms. Ragsdale. I also favor increased tenant management, as long as it is conducive to what I consider to be self determination, if you understand.

I think that the tenants by and large should be able to determine the direction of that given housing unit.

Now, I do not want us to use tenant management as a means to gradually eliminate the need for subsidy. At some point in time the individuals will continue to need some level of subsidy based upon their income.

So although individuals might—we might move to say, well, perhaps they should manage, and perhaps they should own. And then we've moving toward that. We can't sit up here and challenge that.

But, I, think also though we must recognize there is still a continued need for individuals to pay according to their income, the subsidy angle. So let's not use it as a means to eliminate additional subsidies, however.

Mr. Bartlett. Thank you. Mr. Chairman, let me ask one additional question and then I have a number of others that need——

In the Lake West project, or West Dallas, as you know we have some 3,500 units, the last of the beginnings of renovation and modernization.

I wonder if you could describe what participation the city and the county might have in helping to bring Lake West, or West Dallas, up to both code, and also just to make it livable.

Has the city or the county participated either financially, or in the planning of West Dallas, and what would you anticipate the city or the county's involvement in that?

Ms. Ragsdale. As in relation to city, there is a constant relationship. Of course, it should be better, I feel, between DHA and the city of Dallas.

As you very well know, the mayor appoints, the mayor of the city appoints five commissioners to DHA. The five commissioners make the decisions that impact upon DHA.

So there's a direct relationship there.

The—so from that angle we have committed CD moneys to public housing, but to the extent I don't know, to what length I don't know how much.

And so now, so, I think, that the city continues to have to provide, I feel, not only compassion, but cash. The city must continue, in my opinion, must be a part of attempting to say to the commissioners with whatever experience that we have, that, No. 1, how can we move beyond just the security, because at this time CD moneys also provide the security within public housing units.

When you came up and you saw the security officers out there, those security officers were being paid by community development moneys, but those same security officers work for the city of Dallas.

The Dallas Police Department, for whatever legal reasons, or whatever, cannot patrol within the housing authority within public housing units.

So, I think, we have to be involved much more as it relates to cash, meaning the outright renovation, as it relates to the local level, the city level, to provide what resources we have to muster people, resources, to do some renovation which might be—might cost cash, might not cost cash, might be volunteerism.

We furthermore need to use the office of the—in some way to say that we need additional cash to establish a better relationship with each of you, to say we need additional cash federally to renovate, as well as to provide subsidies, and as well as to move toward some level of low-income home ownership within the given public housing units.

I'm convinced that some individuals would like to—would like to own. So I think the bottom line is to establish a better relationship; that all of us have more and more of a budgetary responsibility.

Mr. **Price.** Congressman Bartlett, there is probably one here today to testify probably better than either Deputy Mayor pro tempore Ragsdale, or myself. That's Ms. Matty Nash. She is not on the witness list, but, as you know, she's a very active member of West Dallas. She's also on Dallas Housing Authority Board.

But I'm just going to say this to kind of synopsize really any testimony that I would have, and I don't mind asking specific questions.

I think we all understand what's happening on the—in the inner city all around this country. One of the things that continues to bother me in the upcoming bond program in the city of Dallas, and with all due respect to those here who support it, I feel encroachment by and through bond, bonds, to take and perpetrate this horrendous act upon poor people.

Just looking at the present bond election, $2,500,000 is being appropriated to build Fish Trap Lake. Fish Trap Lake is right in the middle of the projects, right in the middle of Dallas West project.

We see the same kind of encroachment happening with West Dallas that happened with Bryan Place, again, and what inevitably is going to happen with Roseland Homes, and what happened with Washington Place. For those of you who are not from this area, Mr. Chairman, West Dallas happens to be located between downtown, the CBD, and the area which is Irving and/or Las Calinas, and/or Lone Star Industrial Park.

You know, it's real interesting. There have been very few UDAG designations in this particular city. One happens to be in the 24th Congressional District. One happens to be called Lone Star Industrial Park, and as long as we low-income people were living in that particular area, was flood plain. When it was decided that they wanted to develop the park and it became UDAG designation, and all the amenities came with it.

That's one of the problems we have. We continue to see well intentioned programs such as UDAG, such as tax-exempt bonds, single family margins such as TIF's, continue to be used to disenfranchise, and dislocate those individuals who they were designed to assist.

And so what I continuously see again, alluding to a conspiratorial fact not only with what's happening with local agencies, to continue to disenfranchise individuals who otherwise would be able to survive on those well intentioned programs.

Your committee hopefully, Mr. Chairman, is going to get to the root of the problem, and that is that once your committee, and the U.S. Congress decides to do something about it, and those of us who are local continue to press the issue, it's only at that time, Mr. Bartlett, Congressman Bartlett, that something will be done in terms of what's happening with low-income and public assistance housing.

West Dallas in on the drawing board just like Roseland Homes is on the drawing board, just like Washington Place is gone. I give it 5 to 10 years, 5 years if we're not very careful.

That whole plan of ownership in West Dallas I do not see coming to fruition in terms of what I see in the present bond program, and what I see is total encroachment by this city piece by piece.

Mr. **Bartlett**. Mr. Chairman, my time is expired. I don't have another question. But there are residents of Roseland Homes, and so I think it would be fair to say that at least I—John Wiley Price and I agree on a lot of things, and I think we perhaps disagree on a crystal ball vision of the future. I disagree that Roseland is in trouble. I think that Roseland Homes is very much alive and well far into the future. There's no reason to believe that there will be change either than Roseland will continue to be a liveable, habitable, and enjoyable and high quality of life place to live far into the future. And I think that's the reason for the renovation, and that's the reason for the residents counsel, and the management here, and I think that will continue to be.

Mr. **Price**. I hope you're right, Mr. Bartlett.

Chairman **Gonzalez**. Congressman Bryant.

Mr. **Bryant**. Well, I might—thank you, Mr. Chairman.

Just to follow up on that, to say that my opinion is that the point that's being made by our Commissioner Price is whether Roseland Homes is viable 10 years from now, will depend largely on the political clout of the people located across the street, just like it was in Washington Place, and I think that's not an unreasonable observation.

The first question I had you answered possibly completely already, and that was with regard to the effect of these programs designed to redevelop or revitalize in terms of displacing low-income residents of the existing housing in the area.

Second question—I think you've answered that already.

The second question I wanted to ask you was more or less for the record, that is, for the purpose of—a rhetorical question, because I think I know what your answer is. But the argument over public housing fundamentally is, is it going to be a budget priority or not.

Should we take tax money and address the needs of people that don't have places to live with tax money or not.

And the one side of the argument that I endorse is that we should do that. The other side it usually is these people won't work to make money to live in a house and so, therefore, they shouldn't have a house to live in.

Your opening comments alluded to who it is that can't find a place to live. I think it would be good if you would elaborate on that.

Mr. **Price**. And it's interesting, Congressman Bryant, with all due respect, that most people do not understand the foundation for which public housing, and especially Roseland Homes, as I understand, its historic perspective.

When now people who the community, the overall community foresees as welfare recipients, these are people who work. These are people who are employed. These are people who have a difficult time just making it in terms of what affordable housing is in this particular city.

As you know, the rate of living is extremely expensive in this city. By comparison, I can't allude to the scale. But one of the things, one of the misnomers that happens, is that all welfare recipients for the most part live in occupied public housing, and that is a—that is stereotypical nonsense in terms of people who actually occupy public housing.

We have individuals who work every day living in the majority of these public houses. The problem is that in this particular city, probably like elsewhere, we do not have a commitment in terms of what I consider to be habitable public housing, and that's a reason for the whole modernization now.

Ms. **Ragsdale**. Another issue is too, I must admit, is many times—more times than not what happens is that you have single parents, and I think we need to try to put this together. Single parents, single parents with dependent children without a husband. And, of course, we recognize that many times these single parents don't work. And I'll be quite honest with you. A lot of that has to do with racism and classism. We just need to be up front about it.

The other issue is that oftentimes than not there's no surrounding child care facilities. Now, the point I'm making is I don't think we should necessarily continue to push public housing units without pushing in close proximity subsidized child care centers. There's a direct relationship. The one should afford a pay according to their ability to pay when it comes to housing, and one should pay according to their income when it comes to child care. Somewhere in close proximity.

And, so, therefore, at the same time we need to recognize that—I think the standard I realize in Dallas, TX, that 30 percent of our poverty, according to Chuck Anderson, our city manager, happen to be those parents which are single parents without a husband, with dependent children. That's the point I'm making here, is that there needs to be an extending—expand upon your point, Congressman Bryant, that there needs to be a relationship between housing and child care that's close, too.

And then I feel that at some point in time we can begin to minimize this rumor, this misconception, that people within housing units are just people who just don't want to work. And that's plumb lazy. And, you know, that's plumb racism in my opinion.

And another thing is that a lot of people don't realize for whatever reasons that we support housing for everyone, poor blacks, poor browns, poor whites.

But if we look at the status, most of our poor people are white people. And so I think we need to recognize that this needs to be a budget priority to, No. 1, to not only to renovate, but also to address the whole redevelopment issue that's totally running all of us out, and also to deal with child care because I think too many times we have separated the two, and we cannot.

Chairman GONZALEZ. For the record at this point, if my colleague will yield, we have tried on child care, the ancillary programs that surround public housing, I've tried since the Omnibus Housing Act of 1965, this year, in what is known as a new initiative in H.R. 1, which is the Housing Act of 1985.

We provided for specifically public housing child care at 15 million. Unfortunately in the House, the Appropriation Committee, incidentally which has always been our nemesis, this year was more generous, and they came in, but unfortunately we couldn't convince our colleagues here, and an amendment successfully offered by my colleague, Mr. Bartlett, carried in the House, and it struck that. All of those programs were knocked out in that amendment.

And I couldn't convince my other colleague to go along with our program, that is, the Appropriation Committee.

So, what I'm saying is that we have from the substantive legislative standpoint, that is, the Authorization Committee, we have been attempting.

So, therefore, you know, these hearings are good because they'll help us little by little to eventually win the day.

Now, we don't know what ultimately will happen over in the Senate, so maybe we will still have some provision for such things as child care.

We had public housing child care listed as a new initiative, and, of course, when you say new initiative, well, then you get a balky attitude at that point. Even though budgetarily we come within all of the reconciliation, or budgetary reductions, we feel that these are integral parts of programs that should have been in place many years ago, but it takes time which is what I'm trying to tell you, but the effort is being made, it has been made, it will continue to be made as long as we're able to serve.

Mr. PRICE. Mr. Chairman, we appreciate your authorship of that. We do see a direct corollary between the two. Of course, needless to say, we're disappointed to hear you continually enunciate the fact that successfully it was somehow terminated amongst members of this——

Chairman GONZALEZ. Well, the amendments that tended to reduce or remove the appropriations for these new initiative programs were successfully carried by the House, and I think that ultimately we'll have some——

Mr. BARTLETT. If the chairman would yield.

Chairman GONZALEZ. Certainly. The legislative process is a process of compromise and accommodation. We can't—if I'd had my wishes we wouldn't even be discussing these things today. But we don't. It's give and take, and I do recognize my colleague, because I did refer to his specific amendment.

Mr. Bartlett. If the chairman would yield. It is still in the legislative process. I would comment that there are two points of disagreement between the chairman and myself, and we have had at least one—we've had obviously discussions and votes on the Housing Subcommittee, some of the votes I won, and some he won. And then also on the floor of the House, and we'll no doubt have more.

The disagreements don't relate to whether there's a need for child care in public housing as a way to help people get jobs, and make sure that they can get a job, and become employed. Many of the people in public housing already are employed, but without child care the young mother, or father, is not able to be employed.

A disagreement evolved around this. No. 1, if you're going to create new programs, should we create those new programs by replacing old tired, worn out, cliched type of programs that don't work? Housing Development Action Grant Programs would cost $77,000 per unit to replace. We're spending some $300 million a year out in the authorizing committee—I'm sorry, $275 million a year, and the child care, a new program, was only $15 million. So if we could adopt a child care with just half of HODAG, not a piddly $15 million for a new program, but just replace HODAG or section 108, or other programs that are tired and worn out and don't work.

The other disagreement, I suppose, is whether we should—I tried it in the Housing Subcommittee, and was not successful, as to whether we should explicitly permit the use of performance funding, and other existing Federal subsidies to provide child care in public housing within those locations, and make it easier for public housing authority attendants to provide for that without having to go to HUD for a waiver every 6 months.

And third, the disagreement is whether we should spend our funds, some $300 million, which was another amendment, to build 5,000 new units of public housing for the whole country when we could be spending that $300 million to repair 20 percent of the total of the vacant units in this country. And I just think it's better—and I disagree. I think it's a better use of public money to repair the units we've got than to build a small number of new units for the same amount of money.

Those are our disagreements.

Chairman Gonzalez. Well, that, in effect, your amendment, canceled these authorizations and appropriations because the amendments were to the appropriation bill. We have the appropriation bill approved before the authorization.

So the net effect is that these new initiatives, including public housing child care, were eliminated regardless of the rationalization. We were not exceeding budget. We were within the budget reconciliation limitation, so that what we took from other programs enabled us to stay within the budget, but provide these specific things that just happen to fall under new initiatives. And when you define those new initiatives it seems to at this point in time to kind of arouse some opposition.

But I did want to point out that the legislative effort on the part of the subcommittee has been directed toward trying to address this issue.

Ms. **Ragsdale**. So, Congressman Gonzalez, Congressman Bryant, and Congressman Bartlett, you don't consider it a dead issue? This is what you're saying, that there is to be a continued action toward trying to put those two together. The two together meaning public housing——

Chairman **Gonzalez**. What I'm saying is that your recommendations, and your observations, have been recognized on the legislative level, and that we have been attempting it.

With respect to that specific question of public housing child care program, as I say and repeat, I think that an amendment to the existing housing legislation is just one of those things you have to struggle for.

Now, I've been there long enough to know that I've had bills that I introduced, and it took 11 years before they became a reality.

Now, we can survive long enough in this game, and if we're right, well when we had the issue on appropriations, the Bartlett amendment carried the day, so he was right at that moment as far as the majority was concerned.

So, what I'm saying is that we have reflected in the formulation of legislative policy an attempt to recognize these needs that you recommend.

Mr. **Bartlett**. Well, if the chairman would yield to answer Ms. Ragsdale's direct question.

Chairman **Gonzalez**. Certainly.

Mr. **Bartlett**. No, I don't think it's a dead issue. The question is do we do it symbolically with a new categorical grant that doesn't replace an old one. We've done more at Roseland Homes for child care just right across the courtyard in Rhoades Terrace than the entire Federal grant could provide to a city like Dallas.

I'm in favor of new programs. I'm in favor of reform and changing what is sometimes a pretty abysmal status quo. And I suppose if there's a dispute in Congress as to whether we add to, or whether we reform and provide—and change the status quo, I'm hopeful that some point in the near future we can reform housing in this country and housing laws.

Chairman **Gonzalez**. Well, Mr. Bryant, you yielded to us so you still have time.

Mr. **Bryant**. Well, I won't take much more time. I would be curious to know your opinion of the idea of vouchers. It's being promoted as a substitute for building——

Mr. **Price**. I still have the same—Congressman Bryant, with all due respect, and, of course, Mr. Chairman alluded a few minutes ago to the fact that he could not convince some of his other colleagues to go along with his particular position. I hope you assume maybe the position that he has espoused in terms of H.R. 1, or those new initiatives.

And if I'm not appropriately framing it, or couching it, please speak to it.

Of course, vouchers I said in my opening statement I feel like it's a way of resegregation because vouchers will not take the place of what's going on in terms of the whole discrimination picture. Vouchers I don't see doing that. I'm still back to H.R. 1 and that new initiative.

And what was your position in reference to that, if you don't mind me asking?

Mr. BRYANT. I'm sorry.

Chairman GONZALEZ. Well, excuse me. What we referred to a while ago, we did have a vote on and that was the appropriations bill on housing. What we have in H.R. 1 is the authorization. Since Mr. Bryant is not a member of the committee, he hasn't had an opportunity to vote one way or the other on H.R. 1.

What we have done is successfully had H.R. 1 approved by the subcommittee and the full committee, but now under what we call reconciliation process, that's going to be the only way we have for the Banking Committee as a whole, not just the Housing Subcommittee, to fold in these various measures into the reconciliation version of the budget, or the resolution, and pass out on that basis, and not on a debate on the merits or demerits of the individual substantive, or authorization programs that we enclose, including H.R. 1.

But actually, in all fairness, Mr. Bryant hasn't had a chance to express that. He did have a vote on the appropriation bill that included these new initiatives. I'm glad though that I've heard my colleague, Mr. Bartlett, say that he doesn't oppose the initiatives per se.

But, whether you get a long shot, or burning oil, you're dead the same way on some of these things, and I hope we can come around and eventually have a consensus and find some way of approving this type of a program by the full House and the Congress.

I must say, even though I know we're prolonging this unnecessarily, the dilemma we face, and have faced here. You bring it up with the Voucher Program. In 1981, the newly installed administration told us that they couldn't act on any kind of housing initiative until the President had appointed a housing commission, and that he would have a housing commission for 6 months duration that would come up with a recommendation because they were going to offer alternative programs.

The net result of the Presidential commission's recommendation was the Housing Voucher Program, but it was stipulated from the outset that under no circumstances could it be an entitlement program.

So you end up with a Voucher Program, and as late as just last December, the Secretary of HUD was still pushing it as the answer for housing. But when the President presented his fiscal year 1986 budget he zeroed out any kind of budgetary recommendation for the Voucher Program which was the only program they were endorsing.

So this year in his budget he zeroed out any appropriation. Now, we have preserved the Voucher Program in our authorization bill, H.R. 1. I accept it and went along with an amendment offered by a colleague from the State of Indiana, that provides the statutory life of the voucher, but let's look at that.

The Congress approved 50,000 vouchers in the 1983 Housing Authorization Act. It wasn't until this April, however, that they issued the first batch, just a handful. We don't know. All we know is that vouchers don't add one unit to the housing stock. You issue a voucher, let us say, to a family that would qualify for public housing, and say, OK, you go and find your house. You know the reality, and I know the reality. They're going to end up in providing a windfall for the slum landlord, and that's it.

There are no two ways about it. All you have to do is just go out and live with the people that have the direct impact on this whole action.

So that I resist it, and voice my objection, but the main thing is that at no time has there been an ability to provide a substitute for all of these programs that everybody says are not good, they're not adequate, but which have housed Americans. They have been an integral part of the housing policy of this Nation for over 40 years.

When we talk about housing the poor, we're talking about a very special area which private enterprise through self-admission, cannot provide shelter for the poor unless they get a subsidy one way or the other.

So this is why regardless of its bad reputation, public housing is the only thing we have now that offers shelter to the really poor people of this country. And we have now this year a President who is requesting us to do away with all of the existent housing programs, including FHA.

So this is what we have to face. In the light of that the Congress hasn't gone along up until now with those recommendations. It remains to be seen. We don't know. The legislative process is unpredictable.

But the demoralizing aspect is that there is somebody saying, hey, look, those programs that the Congress put in place after long debate, long conflict, and many hundreds of hearings, now are being eliminated without a whimper, without a chance to be reviewed. Not on the merits, not on the demerits, but because of some budgetary exigency and constraint.

I don't think that's right. I don't think that Congress is doing the job it's fundamentally structured to do, which is to enact and provide the national policies in these very basic areas such as housing.

So, again, I ask pardon for having overextended this, and particularly to you, John.

Mr. **Bryant**. Thank you, Mr. Chairman.

Chairman **Gonzalez**. Well, thank you very much.

Ms. **Ragsdale**. Allow me to make a closing——

Chairman **Gonzalez**. Certainly, yes.

Mr. **Ragsdale**. Allow me to make some closing remarks. First as it relates to the voucher system, I can concur with your two comments.

No. 1, it does not add to the existing housing inventory.

No. 2, it does indeed provide a way for the slum lord to exploit the program.

However, though, I think that the House, the Congress has some responsibilities, one of which, of course, is there needs to be additional push toward the renovation of existing housing units, and the renovation of existing public housing units, as well as the creation of additional units, and that does not mean that they have to look like the typical housing unit.

Chairman **Gonzalez**. I understand. I agree thoroughly, and Mr. Bartlett has just stated his firm conviction that we need to emphasize and give priority to modernization, and rehabilitation, and the like, and I'm trying to win him over to new production as well. I'm for both.

Mr. **Ragsdale**. All right. Right on.

And so—and, of course, that's going to take some cash, and also will continue to take continued subsidies.

Chairman **Gonzalez**. That's true.

Mr. **Ragsdale**. Now, beyond the existing public housing units itself, I think it's very important for the Congress to become very conscious of this total redevelopment process, and I just want to end it with this.

Because redevelopment is totally deteriorating, and also just diminishing existing single family low income housing units, the whole redevelopment process, we will gradually move in with our office buildings, with our townhomes, with our condominiums. We will redevelop your area. We will change your area.

And oftentimes public policy encourages that. UDAG money can be used to displace people.

Chairman **Gonzalez**. That's true with every program. It's true with urban renewal.

Ms. **Ragsdale**. Right on. Urban renewal, poor people removal, you see.

Chairman **Gonzalez**. That's right.

Mr. **Bartlett**. UDAG was one of those other programs I was trying to eliminate incidentally. Not successfully yet.

Ms. **Ragsdale**. OK. But either way though public policy can be used to actually displace and to redevelop communities, and thereby diminish the number of housing units.

Thank you very kindly, gentlemen.

Chairman **Gonzalez**. Thank you both very much for your time and your interest——

We are quite behind schedule. Our next panel is the Honorable Jack D. Herrington. We've known each other going back before he really got hooked on public housing. He started out as an innocent and honest public servant.

We also have Mr. Harry L. Jones, Sr., director, department of housing, and neighborhood services for the city of Dallas.

And it may be that you have some time constraints. It may be that one of you has to be somewhere else pretty soon because of the overextension of our first panel. If so, let me know and we'll recognize you.

If not, I'll recognize Mr. Herrington.

STATEMENT OF JACK D. HERRINGTON, EXECUTIVE DIRECTOR, DALLAS HOUSING AUTHORITY, ACCOMPANIED BY HARRY L. JONES, DIRECTOR, DEPARTMENT OF HOUSING AND NEIGHBORHOOD SERVICES FOR THE CITY OF DALLAS

Mr. **Herrington**. Thank you, Congressman Gonzalez, and Congressman Bartlett, and Bryant.

Let me tell you, I'm a bit intimidated, but nonetheless pleased to have the opportunity to testify before you. And on behalf of the board of commissioners, and the staff of DHA, we're pleased and honored to be able to host your meeting here. We're pleased for that opportunity.

Chairman GONZALEZ. I think the record should show that you've been a very wonderful and generous host. We had a little continental breakfast at 7 a.m. The host was Mr. Herrington and the Dallas Housing Authority.

We have the very distinguished chairman of the board, and we're very grateful for that. And then a tour. I think the record should show that Mr. Herrington and all of his staff in the Dallas Housing Authority has been most cooperative, and most helpful.

Mr. HERRINGTON. I'd like to say first of all, and add one statement beyond what I said, to tell you that public housing officials all over this country recognize you as the principal champion of that program. And I think we appreciate what you've done by way of preserving and continuing the opportunities for those of us that try to administer a very difficult program.

And then before I make a statement, I'd like to, if I could, point out that I do have a number of board members present, and I think that shows the kind of support that I've had which is just invaluable.

Chairman GONZALEZ. I think that's magnificent, and if you don't mind for the record, will you introduce them at this point?

Mr. HERRINGTON. Yes, sir.

You've mentioned Mr. John Schoellkopt, who is the chairman of the Board.

Chairman GONZALEZ. Did the reporter get that name? He just doesn't have a good solid American name like Gonzalez.

Mr. HERRINGTON. Our vice chairman I don't believe is here. I haven't seen him. Mr. Ralph Martinez.

Chairman GONZALEZ. Was he here earlier?

Mr. HERRINGTON. He had hoped to be, but he probably has a conflict of some kind.

Ms. Mattie Nash, a member of the board, is present. Here she is right to your right.

And Mr. Bill Farrell. I believe he's going to testify maybe later.

Chairman GONZALEZ. Yes, I do believe we have him.

Mr. HERRINGTON. And then we have Mr. Lawson Ridgeway who I don't believe is present, but he—that constitutes our present Board of Commissioners.

Chairman GONZALEZ. That's very good.

Mr. HERRINGTON. They are just invaluable.

If I can extend it one more step, we have a couple of former board members that I know are present. There may be others. But I saw Ms. Bea Sutherland back there somewhere who has——

Chairman GONZALEZ. Ms. Sutherland? Yes, I saw her when she came in. She's been here from the beginning.

Mr. HERRINGTON. A very excellent supporter of ours.

And Mr. Walter Travis, who also I think some of you at least met earlier.

So I'm pleased to say we're well represented by people that really have an interest in housing.

Mr. Chairman, I know you want me to move quickly, and I will.

We have written testimony that I prepared and it is available to you and to the committee. We have it here. And I think it responds to all—if not all the questions that staff raised with us, then certainly we'll provide additional information, but we tried to provide an overall view of the Dallas Housing Authority and what we're trying to do, and what we're trying to accomplish.

If I may, I'll be kind of informal, and I'll try to be brief and move quickly.

But what I want to give you is a very positive update of where we're headed in Dallas, and to give you what I think is a positive review of change we're making that is in the right direction. We're not there yet. We still have horrendous problems, tremendous problems, but we have made great progress.

In 1979 I was selected by the board of commissioners. It was after the board had made a determination that definite change was needed in Dallas. It was recognized that something had to be done.

Before I reported to duty I will tell you that I met with the mayor, the city manager, all members of the board of commissioners, the HUD Regional Administrator, and the HUD area manager, and we had some understandings before I came to Dallas. And I did that because it is impossible for anyone to take on the task of trying to make the changes necessary without the full support of the city, without the full support of the board, and of the Department of Housing and Urban Development.

Now, for the most part, those commitments have been honored throughout the period that I've been in this city, and the progress that has come because of that, and the added commitment and support of the city council. We have a general overall support of our effort.

Now, we've been criticized at times, but that's understandable.

I would tell you that when I came to this city I would have to tell you that it had the worst public housing of any community that I'd ever seen. Now, we had some—I've seen a project as bad or worse than our worst, but what I had never seen is an authority where all of its units designed for families with children were in poor to disastrous condition, and that's what it was.

Our elderly units, the units designed for elderly and handicapped—Turnkey III type housing, the ones that are designed for home ownership, were in good to excellent condition. But those designed for families with children, some 6,000 of them, were just in deplorable condition.

We determined very quickly that the most critical thing that we had to do was first to pull together the kind of a staff that had the understanding and the capabilities to attack these horrendous problems. We had very dedicated people before, but not necessarily the expertise required. And I won't go through the details of that, but it was a very unpleasant, arduous, difficult period that we went through in reestablishing, reorganizing, and putting together what I think today is absolutely the finest housing authority staff of any in the country. I think that we compete very well.

That doesn't yet mean that we've got everything perfect, but we do have the people that can do it, I think.

We—the second determination we made was that our priority would have to be to modernize the units. Our units bordered on—to the place of being unfit for human habitation. And we ran at every dollar we could get to do that.

The Urban Initiatives Program, I think it was called then, was underway, and that was where the funds were earmarked for Roseland Homes, and that had happened before I came; $1 million was set aside by the city, and then something like a little less than $12 million was provided through the modernization programs available from HUD at that time. And with those programs we were able to begin the modernization of Roseland Homes.

We went after other moneys, and the next year, and this was, I believe, in 1981—my dates may get a little fuzzy here—but we were able to get under the Comprehensive Improvement Assistance Program [CIAP], we were able to get a $10 million commitment to do Frazier Courts.

That went rather smoothly. Frazier Courts had 550 units. This project originated at 650 units. After modernization it wound up with 611 units.

We carried that program through successfully. The next year we applied, and incidentally we applied for more than what we got each year. We set our own priorities, and ordinarily the funds come back that way.

The next year the request included moneys for Rhoads Terrace, and for some management improvements that were needed to make us a better operation.

We requested something better than $11 million, and we got something like $7 million that year. About, as I recall, in the neighborhood of $6 million of that was earmarked specifically for the construction work, modernization. The other portion went for management improvements.

And it came to us in the form of a two-phase funding. It was stated this was the first of a two-phase funding.

With those funds we employed an architect, and went to work on developing the plans, and working drawings. The next year we made our application for the next year funding, and we included in that moneys for Turner Courts and Brackins Village, two other rundown developments that we had, as well as our first priority of getting the money to complete the modernization of Rhoads Terrace, which we understood as a promise and a commitment if moneys were available.

Well, as it came back the moneys were provided for Turner Courts and Brackins Village, but the second phase funding for Rhoads Terrace wasn't provided, and we by then had the plans. We tried to get commitments, or some acceptance so we could let a contract proceed. We worked out different ideas on that, but were unsuccessful.

Finally, in desperation, we employed or put our own staff to work to begin the work because we couldn't let a contract not having all the money.

The next year we put in for modernization funds for— this time for—I believe the next was for the West Dallas developments, and for the added money for Rhoads Terrace. We got a commitment of $18.3 million, which we were extremely pleased for, to begin work in the West Dallas areas, but we didn't, again, get the added moneys that we needed for Rhoads Terrace.

The next year we applied—that year we got no moneys, and I am pleased to report to you, however, within recent weeks, just a matter of 2 or 3 weeks, we finally have the commitment of the rest of the money required to complete the work in Rhoads Terrace.

And with that, we have let the contract to carry out the modernization work in Rhoads Terrace.

While this was going on I need to also tell you that the city of Dallas was very helpful to us. The city of Dallas through its community development program funds, provided moneys for some of the security items needed including fire alarm systems. Also for street improvements, underground utility systems, that let us begin to do our work in Rhoads Terrace.

I might say that the city has also been supportive of establishing a security staff and a security system that's been provided for all of our developments now, I think, with the exception of Brackins Village and Turnkey III, that are nonelderly. And in the West Dallas area they have established a police kind of substation there in some of the units.

So the city has been very supportive of this effort.

Now, as this was progressing, the city had also already conducted a study of the needs of public housing in Dallas, and determined that it would take some $133 million, that study reported, to bring all of our properties up to suitable standard.

In spite of the fact that I think we made dramatic progress, HUD worked very well with us. We're a little critical of how some of the funding came to us, but over this period we have had our share, I think, and appropriately. Maybe some would argue more than our share. I think our problems were so serious that they deserved perhaps more attention.

But we have had that kind of support from HUD, and for that we're extremely grateful, so I don't want to be all negative. As I say, I'm a little critical of some details of how some of it has happened, but overall the support has been there.

But even with that, if you look at that tremendous need we had, there was no way that within a reasonable timeframe we were going to be able to bring all of these properties to a suitable standard.

And there's some differences I have perhaps with others that will testify today. You see, I take no great credit, or feel no great pride in having a huge number of public housing units when some are in such disastrous condition that no one can live decently there. And as a public body, I think we should be setting a standard, not a negative standard but rather something positive rather than something negative, and I think that's what we have been.

And so it was with this that we attacked our problem. And about that time, as we were moving forward with these other things, we, I believe, were contacted by the Baylor University Medical Center indicating an interest in the purchase of the Washington Place public housing project.

Well, our studies had indicated that it would cost better than $8 million to modernize that development. The development itself was structurally sound. It was very similar in construction to this project that we're in right here, Roseland Homes.

However, after you get beyond being structurally sound almost everything else about it was in very unfortunate condition. The utility system was hazardous really to the health of the people.

We examined our situation and realized we had two more developments, Little Mexico Village, Cedar Spring Place, that we needed to get funds for to modernize. Additionally we had 3,500 units in West Dallas. We hadn't yet relieved the $18.3 million for that, and we were sitting with all of these needs and with people living in these conditions. And we looked at the situation and decided it made better sense for us to change our priorities, and instead of trying to go after $8 million to redo Washington Place, that instead of having to do that if we could get replacement units and could get—which we got $9.5 million by selling the project—that could then be taken and used to modernize Cedar Springs Place and Little Mexico Village, then we would have all of the housing stock of the Dallas Housing Authority brought to a suitable living standard with the exception of the West Dallas area which was an enormous problem in its own right, and a whole unique thing that I want to address very briefly.

And it was for that reason that we sold the Washington Place public housing project, and we sold it with the commitments and allocations of funds that would not deplete the Dallas Housing Authority stock. That meant that we got 91 units that later was switched to 92 of section 8 substantial. We got 150 units of section 8 modernization housing. And with a waiver that permitted the Dallas Housing Authority to own those units rather than for it to be owned by private enterprise as is normally the case, and a commitment of 106 public housing units.

So it was on that basis that that development sold.

Now, let me speak very briefly——

Chairman GONZALEZ. Excuse me. For the record, would you indicate—I believe you told us earlier the purchase price was $9 million?

Mr. HERRINGTON. $9½ million, yes, sir.

Let me very briefly, and I'm trying to hasten because I know you've got many people you want to hear, but let me tell you now the story of the West Dallas—we like to call it Lake West. Lake West, has 3,500 units in it. Those 3,500 units are composed of—some 1,500 of them, as originally established, were in 1 project, and it was established for white people. There was another 1,500 established for black people, and some 500 units established for Hispanics. That was the original concept. That was the way that development was based.

It's almost had segregated patterns in its layout, if you look at the road networks, that kind of thing, but over the years changes have occurred and it is occupied substantially by black people at this stage. There are other races, but the overwhelming majority is in black occupancy.

It is occupied by very low-income people. Some 1,200 of the units in West Dallas are vacant, vandalized, boarded up. It takes enormous amounts of moneys that we don't have to modernize those units.

We are set with a situation that, Mr. Gonzalez, I think was a mistake. I don't know. I wasn't in Dallas. I don't—I would guess that the motivations were not bad in establishing that West Dallas development. The people at that time, I'm sure, were trying to respond to a need that they saw in this city.

But in my opinion, a very grievous error was made by putting 3,500 low-income units in one place. What that means is that a child living in West Dallas grows up in a community of poverty. That child does not see a balanced kind of an environment.

And I think this is almost as serious, I might say, for a child in a very affluent part of our community to grow up never knowing that there are those who are less advantaged as it is the other way around. But we nevertheless in this community wound up with 3,500 poor units in 1—poor people living in 1 3,500 unit project, or 3 projects joined.

When we looked at that, and the authority began to think about that, we felt that this was unique, that you couldn't approach this like we had been doing in other developments, that there was something basic that needed to be reexamined.

And being an architect I guess is why I thought to do this. I went to the local AIA chapter and I got to talking with Mr. Bill Booziotis who was the President of the local chapter at that time, to see if we couldn't get a little free assistance from the architects to help us and guide us in some of this. He got enthused about the prospect, and got us joined with the University of Texas at Arlington in their Urban Affairs Institute there. And we held a 3 day design charrette—in a matter of a few weeks after that where we invited in experts from across the country to look at the Lake West situation.

These people came in and we just immersed them in Lake West. We met with the leadership of that community. We brought in the Fire Department, the Police Department, the school system. We tried to give them a total exposure. The residents participated in what we did. They—everyone that we could find, community leaders, others, to talk about, to see, and to try to come out of this with what makes sense, how do you approach a problem of this nature.

At the end of that third day they made their report. That report I will enter in the record as part of the information.

The report was that for Lake West to have a real future that what would be needed would be some very significant changes. The units as they are laid out are kind of barrack style. The roads go down one side. You can't—a person can't identify yard spaces belonging to them, or something that they have responsibility for.

As it is laid out, there—the road networks tend to separate one area from another. There's a lack of shopping in that part of the area, and the recommendations were that the shopping area should be expanded and provided.

There was a need to bring together the public and semipublic activities into a—what was called a community campus so that those could be brought together.

The idea ensued that there was an awful lot of vacant open land that perhaps some of the single family residences that would otherwise be torn down could be moved over to vacant land in the area and we could develop some ownership programs in those.

And then to build some incentives and opportunities for people, it was felt that we needed to begin to disburse within that overall area some ownership opportunities for the people living there so that they could actually buy into some of those units by converting them to co-ops, or condominium, or that kind of thing so that there could be some ownership incentive built in. And with ownership perhaps a better sense of community, a better sense of stability for the neighborhood.

Well, there are other aspects to this, and I won't cover them, but those were the generalized concepts—some of the quick off the top of my head things that happened from that particular report, and the recommendations of that group.

It didn't take long to realize that if we proceeded that way we'd violate every Federal rule in the world because there's not anything in the rules that permit us even to plan as proposed.

So we then went to private foundations in the community and we were able to obtain some funds that coupled with some community development program money provided by the city to make up a little, no less than $200,000, to permit us to develop the master plan which is also provided to you. We employed four professional groups that worked on that, and have refined those earlier plans.

Now we have architects, two architects, working on two specific areas in the Lake West developments to complete and improve the public housing in those particular areas. We have many areas that are going to take a great deal of cooperation with the Department of Housing and Urban Development before we complete this process, and we're moving very tentatively.

We have tested in one area the kinds of improvements that the architects are recommending, and we hope to move into some other tests of that kind soon.

Now, I've taken a little more time than I know you have wanted me to give, but that, I hope, provides you with an overview of where this authority is going.

We're upbeat about it. We think we're moving correctly. We can see great progress being made. We could get consumed in the problems that we still face, but we're very proud of what we've been able to accomplish, and I hope that from your views that you will see it in a positive way too.

Thank you very much.

[The prepared statement of Mr. Herrington follows:]

TESTIMONY

SUBCOMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

OCTOBER 15, 1985

Jack D. Herrington, Executive Director
Dallas Housing Authority

I. BACKGROUND

A. The Dallas Housing Authority owns and operates 7,392 assisted housing units in 20 developments located throughout Dallas. Ten of the developments provide housing for low-income families and elderly individuals. Eight developments are specifically designed for low-income elderly, disabled or handicapped tenants. Two developments consist of single-family houses in a homeownership program for low-income to moderate-income families.

The ethnic distribution of DHA residents currently is 15% white, 77% black, 5% Hispanic, and 2.5% Asian & Pacific Islanders.

B. The Authority also administers the Section 8 Existing Housing Assistance Payments Program which provides 3,704 families a rental subsidy to live in privately owned housing of their choice. The ethnic distribution of these families is 10% white, 86% black and 4% Hispanic.

Detailed statistics concerning the demand for DHA's assisted housing are attached as Exhibit A.

C. DHA Residents

Heads of households under age 62 in public housing are predominantly minority-race single female adults -- in Dallas as well as nationwide. This situation has been attributed to historical disparities in earning levels of racial ethnic groups and to the reluctance of many low-income white applicants to accept assigned apartments in integrated areas or projects predominantly occupied by non-white tenants.

The percentage of single adults in public housing is far greater than in American society at large. A substantial number of residents are divorced, deserted or widowed women raising families. Many residents have below-average education, though some are high school graduates and a few have attended college.

DHA developments have the city's highest concentrations of people aged 18 and younger -- estimated as high as 60 percent of all residents. DHA residents under age 62 often have unstable residence patterns, creating high tenant turnover in some DHA projects. Other developments experience low tenant turnover, with second and third generations of families growing up in the same neighborhood.

About one-third of all DHA apartments are occupied by elderly, disabled and handicapped people. Residents over age 62 who live in DHA apartments specially designed for elderly, disabled or handicapped people are predominantly single, white persons who have found that their fixed retirement income could not keep pace with the rising cost of basic shelter. The racial occupancy of this elderly/handicapped housing in June, 1985 was 60% white, 34% black and 5% Hispanic.

Disabled and handicapped residents often rely on the barrier-free design of their apartments to lead independent lives. Most residents in the 1,208 units designated for elderly and handicapped people range in age from 68-78; more than 45 are 90 years of age or older. About one-third of participants in the Section 8 Existing rent subsidy program also are elderly.

The Dallas Housing Authority provides public housing apartments to the entire spectrum of low-income people. As of June, 1985, the racial/ethnic composition of the DHA's resident population (number of units occupied by each race) was: 4,433 black; 849 white; 289 Hispanic; 149 Asian/Pacific; 7 American Indian; and 13 "other" categories.

About 78% of the total 7,383 units owned and operated by DHA in June, 1985 were occupied. About half of the vacant units are uninhabitable because of deteriorated or vandalized conditions. Other units are temporarily vacant for one of several basic reasons: they are involved in modernization programs; or routine apartment preparation (make-ready) is pending.

D. In 1980, the ten family housing projects in Dallas were in very poor physical condition. A listing of projects is Exhibit B. Many families were living in conditions bordering on substandard. Large numbers of apartments were uninhabitable. A 1981 physical needs assessment of the condition of DHA housing, financed by the City of Dallas through the Community Development Block Grant program, determined that $133 million would be needed to restore this property to acceptable condition.

The Dallas Housing Authority has sought funding aggressively for modernization of its housing. As of this year, DHA has managed to secure a total of $53 million in HUD funds for modernization. Another $5 million in Community Development Block Grant funds has been designated by the City of Dallas for safety and security-related modernization. Two modernization programs are complete. Three modernization programs are underway and contracts have been awarded to complete them. Architectural plans and specifications are being prepared for modernization of two additional projects.

II. MODERNIZATION PROGRAM

A. City of Dallas Physical Needs Assessment In 1980, the Dallas City Council realized that the deterioration of public housing in Dallas had reached a critical point. Because of the extent and complexity of the deterioration, the City Council approved $100,000 in CDBG funds for a comprehensive architectural/engineering assessment of the condition of the city's public housing. The needs assessment was conducted by a private architectural-engineering firm under contract to the City of Dallas and DHA. The study was designed to provide information regarding the scope of physical deterioration and also provide a new DHA administration with data needed to effectively manage new maintenance and modernization programs. The study, completed in early 1981, provided a detailed analysis of the condition of each project and concluded that $133 million would be needed to perform the modernization required to bring all DHA property up to an acceptable condition.

B. Roseland Homes The modernization of this housing project of 611 units was completed successfully in late 1982. HUD provided $11,625,000 in Urban Initiatives and Comprehensive Modernization funds, and the City of Dallas committed $1 million in CDBG funds. This development remains in excellent condition and is fully occupied today.

C. Frazier Courts The Authority's smoothest modernization program to date has been the $10,171,000 renovation of 550 units at Frazier Courts. HUD provided adequate funding in a very timely manner. Preparation of plans and specifications and execution of this modernization program were completed very quickly. The project was funded in 1980 and 1981, and was completed by March, 1984.

D. Rhoads Terrace Modernization of this extremely deteriorated, 426-unit project has been frustratingly slow for several reasons.

1. Based on the physical needs assessment, the Authority requested $11,673,750 for physical restoration of this project and funds to improve its data processing system.

2. In late 1981, HUD agreed to provide $7,107,118 in CIAP funds, and promised to make a good faith effort to provide the balance of needed funds in a subsequent year.

3. Architectural plans and specifications were prepared by William Bidell, Architects during the spring and summer of 1982.

4. During fiscal years 1982, 1983 and 1984, DHA applied for CIAP funding sufficient to finish the modernization of Rhoads Terrace. Despite earlier promises that funds would be allocated for this project, it was not until this year, 1985, that the balance of the CIAP funding needed for Rhoads Terrace was reserved.

5. During the past three years, the HUD Regional Office encouraged DHA to carry out the modernization using its own employees, a process known as Force Account in HUD terminology, rather than by private construction contract. This was done and the work began in January, 1984.

6. The City of Dallas later committed $526,000 for streets and parking, $500,000 for security screen doors, and $140,000 for renovation of the community facility at Rhoads Terrace. The security

screen doors and site work were contracted. The site work is now complete.

7. An umbrella foundation made up of volunteers from Dallas area churches, called Strategies To Elevate People (STEP), has implemented several programs to assist the urban poor. The STEP Foundation organized a large-scale volunteer effort in February and June, 1984, to assist DHA with reroofing and clean-up of buildings at Rhoads Terrace.

8. In recent weeks, after extensive communication about the CIAP funding question, HUD has approved the $3,529,702 balance of funds needed. With the remainder of the funding for the modernization of Rhoads Terrace secured, DHA decided it would be most effective to complete the remaining modernization work by contract. On April 7, 1985, the Authority sought bids for completion of the work and a construction contract has been awarded.

E. Turner Courts and Brackins Village In 1982, along with a request for the second-phase funding for Rhoads Terrace, the Authority sought slightly more than $5 million in modernization funding for these two relatively small housing projects. In order to receive the funding, the Authority agreed to perform the construction using its own crews, as at Rhoads Terrace. The modernization work completed to date has been carried out through this Force Account process. This work, together with the Rhoads Terrace construction, required that DHA create an entirely new construction work force. DHA has also struggled with problems caused by restrictive regulations under which government organizations must purchase equipment and materials. Because of booming commercial and residential construction in Dallas, the Authority has been at a competitive disadvantage in recruiting qualified construction employees. Despite these problems, 40% of the construction work is complete at Turner Courts and 50% is complete at Brackins Village. It will be more efficient to complete the modernization program in these two projects, as well as Rhoads Terrace, by awarding a contract to a private construction company. Bid specifications have been prepared, advertisements have been published, bids have been received and a contract for completing the remaining modernization work has been awarded.

F. Washington Place Sale

1. The decision to sell Washington Place to Baylor University Medical Center was based on the following considerations:

a. Faced with the deplorable overall condition of public housing in Dallas, DHA decided to develop a plan of action to modernize approximately 4,500 occupied units and to restore an additional 1,500 dilapidated, unusable units to suitable condition for occupancy.

The task seemed impossible. The 1981 needs assessment reflected a total modernization funding requirement of $133 million. DHA had no source of funds to modernize these units except for some City-provided CDBG funds and yearly applications for CIAP funds.

Washington Place was 40 years old and was in poor condition because of inadequate maintenance over the years. Typical apartments were in extremely poor condition with extensive repairs needed. Of greatest concern was the extremely hazardous electrical system. Obsolete floor heaters did not work properly, and most residents were using gas stoves for heat. The doors and windows needed replacement. The plumbing systems were worn out. Only the roofs appeared to be in acceptable condition and the apartments themselves were structurally sound. The estimated cost of modernizing Washington Place was $8,208,135.

It appeared extremely unlikely to DHA that modernization funds could be obtained within an acceptable time frame to modernize Washington Place. DHA had been successful in obtaining CIAP funding at the rate of approximately $9 million per year. The City of Dallas, with a total yearly CDBG entitlement of $15 million, could not allocate sufficient funds for modernization because of competing priorities from low-income neighborhoods throughout the city. The operating subsidy received by the Authority was inadequate for expenditures beyond those required for basic operation. Assuming that the Authority's CIAP funding level could continue indefinitely into the future, it would have taken a decade and a half to upgrade DHA's dilapidated housing to suitable living accommodations.

b. In 1980, DHA received a letter from Baylor University Medical Center offering to purchase Washington Place in order to expand its campus. DHA analyzed this offer in the context of its overall financial condition and the need to modernize ten badly deteriorated housing projects. Considering the sale price of $9.5 million and the removal of Washington Place from its list of properties needing modernization, DHA's CIAP funding needs effectively were reduced by $17.7 million. The proceeds of the sale also made it possible to modernize two other developments: Cedar Springs Place and Little Mexico Village.

c. DHA determined, however, that the project would not be sold unless all of its residents could be relocated to suitable alternate housing. Following careful analysis, it was found that not only could alternate living resources be provided, but opportunities for improved living conditions could be offered.

DHA records show that 301 families were living in Washington Place at the beginning of 1982. By the end of that year, 72 families had moved to newly modernized Roseland Homes, 23 families had moved to private housing and the other tenants had left without notice or were evicted for cause or non-payment of rent.

During the period between January 1, 1983 and May 30, 1984, 193 families moved from Washington Place. One hundred seventy of those families moved to other housing projects or private housing, six were evicted, two families moved prior to eviction and fifteen families left without notice.

d. As a condition of the sale, the Authority was able to obtain sufficient new allocations of assisted units to avoid a reduction in the number of units owned by DHA. HUD provided 91 units of Section 8 Substantial Rehabilitation housing, 150 units of Section 8 Moderate Rehabilitation housing with special permission for ownership by DHA, and 106 units of public housing. Since the sale of the project, DHA has been engaged in the following activities to develop this additional housing:

(1) Simpson Place -- Financing and rehabilitation of this apartment complex through the Section 8 Substantial Rehabilitation program is complete and the property is nearing full occupancy. The property consists of 92 one-bedroom units and is locaterd one-half block from the Washington Place site.

(2) Section 8 Moderate Rehabilitation Program-- The Dallas Housing Authority recently has completed the purchase of a complex in East Dallas/Lakewood. It contains 156 units and utilizes the entire allocation of 150 two-bedroom Section 8 units.

(3) New Public Housing -- A site has been located for construction of 106 three-bedroom and four-bedroom units of new public housing for large

families. A contract to purchase has been presented to the owner of the property, and the purchase price is being negotiated.

III. LAKE WEST (West Dallas Housing Projects)

In the three West Dallas housing projects -- George Loving Place, Edgar Ward Place and Elmer Scott Place--there is an urgent need to reverse 30 years of wear, deterioration, vandalism, poor maintenance and inadequate funding. The overall housing conditions and 1,200 vacant, uninhabitable units have a negative impact on surrounding neighborhoods, business, industry and the city as a whole. More than 8000 adults and children live in a square mile area which has become, in many respects, a publicly owned slum.

The key point about Lake West is that its concentration of low-income units is so great and conditions are so severe that standard HUD approaches to merely modernize the apartments will not produce a viable living environment in the long term. Major changes in the types of housing and present land uses will be needed to help create and stabilize a healthy community.

In developing its revitalization strategy for these housing projects, the DHA has sought the best professional and technical advice available, as well as the participation of every person and organization affected by or concerned about conditions in Lake West. Public response, and the time and energy contributed to date, have been tremendous.

A. West Dallas Urban Design Charette -- In late July, 1983, a team of 15 urban experts from across the country was assembled for an urban design Charette to analyze the problems in West Dallas. Included in the team were specialists in architecture, urban design, engineering, planning, business, government, environmental health, security, psychology, and social work. Extensive preliminary information on various existing problems was provided to the Charette members. The team inspected several housing projects and interviewed residents and leaders from adjoining neighborhoods. After three days of intensive analysis, the Charette team presented the following recommendations for a new beginning in West Dallas:

- Change the exterior appearance of the buildings and grounds.

- Break the three projects into smaller, more definable areas.

- Create a mixture of housing for different income groups.

- Change the street patterns to create more parking, give each resident a street address and provide more connection with surrounding areas.

- Establish a "Town Center" to serve retail, civic and support services needs of the West Dallas community.

- Address security problems through increased police patrols, security hardware and neighborhood watch efforts.

- A copy of the Charette report is attached as Exhibit C.

B. The Master Plan -- The Dallas Housing Authority immediately began to work on development of a master plan for revitalization of West Dallas based on the Charette concepts. The scope of work and research necessary for such a master plan reached far beyond what can be funded within the regulations of specific programs administered by HUD. In order to have freedom to consider any workable solution, DHA sought and received funding support from the Dallas community. Ten local foundations and corporations contributed $107,000 toward the development of the Lake West Master Plan. The City of Dallas committed $50,000 in CDBG funds for the same purpose. A team of architects, engineers and urban planners was assembled to refine the Charette concepts into the master plan. The first phase of this document was completed in March, 1984. See Exhibit D.

The Lake West Master Plan calls for many changes in the character, appearance and land usage in Lake West in order to produce a viable housing development.

1. It calls for retention of approximately the same number of public housing units as currently occupied. These units would be modernized primarily using HUD modernization funds.

2. The remaining housing units would be converted to other types of housing including several levels of below-market rental units, cooperatives, condominiums for low-income and moderate-income families, and lease-purchase opportunities for low-income and moderate-income families. The strategy addresses issues of

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Lake West

The Dallas Housing Authority continued comprehensive planning during 1984 and began pilot area construction in the first of 1,000 units scheduled for modernization in two of the three West Dallas public housing projects.

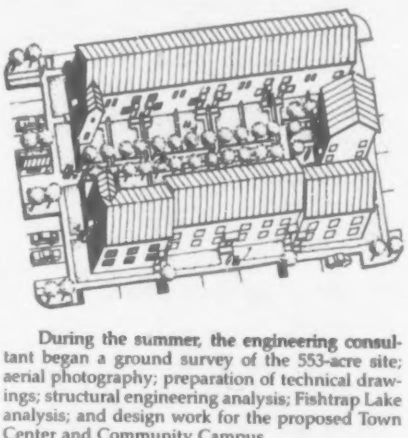
HUD has allocated $12,707,201 for Edgar Ward Place and a total of $5,585,571 for Elmer Scott Place, including $1,870,565 from a special program to restore vacant, uninhabitable apartments.

The Lake West Master Plan was developed in late 1983 and early 1984 to guide a comprehensive, innovative approach to modernization.

Funding for more than 85 percent of the master plan's $210,000 cost was provided by several private Dallas foundations, corporate donors and the City of Dallas. The Hawn Foundation, Pollock Foundation, Lightner Sams Foundation, Rosewood Corporation, Gifford-Hill Companies and an anonymous donor supplemented funds provided by other contributors in 1983.

Four Lake West Design Team contractors — Carter & Burgess, Inc.; Peterson Littenberg, Architects; Selzer Associates/Selzer-Volk-Borne; and Real Estate Research Corp. — completed the Lake West Master Plan and Lake West Technical Supplement during the first quarter.

DHA Executive Director Jack D. Herrington presented the master plan in Washington, D.C. during April to HUD Assistant Secretaries Warren T. Lindquist and Steve Bollinger, as well as HUD staff members. DHA representatives also met in Fort Worth with I.L. Sanchez-Davis, Acting Regional Administrator of HUD, to answer questions about the plan.



During the summer, the engineering consultant began a ground survey of the 553-acre site; aerial photography; preparation of technical drawings; structural engineering analysis; Fishtrap Lake analysis; and design work for the proposed Town Center and Community Campus.

Several peripheral issues also were considered. An offer of donated houses for Lake West was found to be incompatible with DHA plans, and Dallas City Council was asked to consider building its newest community center at Elmer Scott Place overlooking Fishtrap Lake. The proposal was rejected because of prior commitments to a site preferred by community leaders.

In the fall, DHA crews began construction at three buildings in Elmer Scott Place. A consultant was hired to lay a new foundation and move one building to test the feasibility of relocating several buildings.

The STEP Foundation carried out an extensive clean-up in Elmer Scott Place and Edgar Ward Place on one day in November using more than 1,500 church volunteers to remove debris from vacant apartments and paint plywood inserts used to secure windows and doors.

Discussions also began with several organizations which serve West Dallas residents and potentially could lease new facilities built by DHA.

Possible facilities include a new office building for the Texas Department of Human Resources; a centralized public safety building to replace the Dallas Police Lake West Substation and provide office space for federal, state and county probation officers; and a new youth services facility with central offices for West Dallas Community Centers.

economic integration of the community and opportunity for upward mobility among low-income families.

3. Major changes in the exterior architectural appearance of the buildings are proposed in order to remove the barracks-like uniformity of 500 buildings lined up in rows. Most of the exterior changes are only cosmetic, but will contribute to a sense of personal identification with specific sub-neighborhoods and resposibility for them.

4. Other exterior architectural changes are proposed to provide greater security for residents and their possessions.

5. Major street repairs, new parking and rerouting of streets are proposed.

6. Fishtrap Lake would be dredged to remove potentially harmful sediment and to solve drainage problems.

7. A community campus -- consisting of offices for education, welfare and social services agencies -- would be developed on the west side of Fishtrap Lake.

Financial Statement

Housing Authority Of The City Of Dallas
Consolidated Balance Sheet
December 31, 1984

Assets

Cash	$ (183,514)
Accounts Receivable	1,249,280
Investments	10,813,846
Debt Amortization Funds	119,197
Deferred Charges	2,638,238
Land, Structures And Equipment	112,305,851
Total Assets	$126,942,898

Liabilities And Surplus

Accounts Payable	$ 2,097,365
Accrued Liabilities	1,551,903
Trust And Deposit Liabilities	1,466,619
Deferred Credits	-0-
Notes Payable	40,885,683
Fixed Liabilities	22,308,758
Operating Reserve (Note 1)	6,846,005
Net Cumulative HUD Annual Contribution	51,786,565
Total Liabilities, Reserve And Net Annual Contribution	$126,942,898

Housing Authority Of The City Of Dallas
Low Income Housing And Turnkey III
December 31, 1984

Revenues *(Does Not Include Section 8)*

Dwelling Rental	$ 5,708,601
Excess Utilities	431,358
Non-Dwelling Rental	65,629
Interest On Investments	898,691
Other Income	473,024
Operating Subsidy	7,890,568
Total	$15,467,871

Expenditures *(Does Not Include Section 8)*

Administration	$ 2,055,696
Tenant Services	145,805
Utilities	5,307,621
Maintenance/Operation	3,954,120
General	1,926,293
Protective Services	60,153
Non-Routine Maintenance	861,272
Capital Expenditures	710,882
Prior Year Adjustments/Other	(105,248)
Provision For Operating Reserve	551,277
Total	$15,467,871

8. Use of vacant land for compatible commercial and retail development would be encouraged.

C. Federal Funding -- The estimated need for HUD modernization funds in Lake West is $62 million. Thus far, HUD has committed $18.3 million for modernization in two of the housing projects. Those monies were allocated in late 1983, while the Authority was in the process of developing Lake West Master Plan. HUD has not allocated any additional funds for Lake West, although applications were submitted in FY 1984 and FY 1985.

1. Since completion of the first phase of the Lake West Master Plan, architects have been working on plans and specifications for the first construction contracts in the funded areas. These contracts should be let later this year.

2. In the meantime, DHA construction crews have been modernizing several buildings in Elmer Scott Place to test architectural concepts being formulated. A similar test will be started in a limited number units in Edgar Ward Place very shortly.

3. Throughout the process of the West Dallas Design Charette and development of the Lake West

Master Plan, the Authority has made an effort to include HUD officials and to keep them informed. DHA has asked the Regional Administrator to designate a top-level regional official to work closely with the Authority as these plans are made and modernization progresses to avoid misunderstandings and to expedite various waivers and approvals required for this unusually complex undertaking.

4. Additional improvements to create market rate rental units and homeownership opportunities will be carried out by private developers.

Resident Councils/Social Services

Resident Councils

Election campaigns of 1984 sharply increased the political awareness and involvement of Dallas Housing Authority resident councils.

Despite the inexperience of tenant representatives at the beginning of the year, the councils succeeded in educating and registering large numbers of voters, hosting candidate forums and attracting one presidential candidate, the Rev. Jesse Jackson.

Resident council officers worked alongside DHA staff to allocate resources, improve services, give advice on modernization proposals and resolve neighborhood problems.

Resident council officers participated in five training workshops and helped DHA's staff to allocate resources, improve services, evaluate modernization proposals and resolve neighborhood problems.

Among activities common to many councils were distributions of government surplus cheese, butter and honey; grocery giveaways; holiday banquets and picnics; sales of household items; dances; religious services; field trips; and team sports.

Most supplemented their DHA budget (funded with $3 per occupied unit annually) with fund-raising activities such as fashion and talent shows or sales of lunches, baked goods and craft items.

Among the most notable council activities:

- Roseland Homes fingerprinted 159 children in cooperation with the HUD Office of Inspector General, Highland Park Presbyterian Church and the Dallas Security Force; held a car wash, bake sale and break dance contest to purchase uniforms for the Roseland Homes Roses Drill Team; petitioned DHA to obtain a curfew at a neighborhood park; and honored 40 individuals and agencies at a community awards program.
- George Loving Place sponsored candidate forums, voter education classes and absentee voter transportation; held meetings with the Dallas Police Department; honored DISD homemaking teachers with a dinner; and distributed clothes and elementary school supplies to needy children.
- Special Purpose Housing residents worked to obtain 24-hour Dallas Police patrols; raised funds with weekday lunch sales; and helped set up the Friendly Visitor Program to look after sick and homebound residents.
- Cliff Manor organized a month-long 10th anniversary celebration and an old-time fiddlers ball.

DALLAS HOUSING AUTHORITY
EXHIBIT A

The demand for assisted housing in the City of Dallas is demonstrated by the number of applicants for the various housing programs which the Authority administers. The following statistics were compiled from DHA Resident Selection sources and show how many applicants are listed for each program. Registrations are families who have indicated interest in housing but whose full application has not been taken.

PUBLIC HOUSING	Date statistic compiled	Totals
Registrations	10/10/85	2,331
Applications	10/09/85	526
SECTION 8 EXISTING	10/14/85	
Units Allocated		3,424
Units Leased		3,133
Available Units		291
Outstanding Certificates		637
Moderate Rehabilitation:		
Units Allocated		235
Units Leased		210
Vacancies		25
Housing Vouchers*:		
Vouchers Allocated		170
Vouchers Issued		None

*Program implementation in progress.

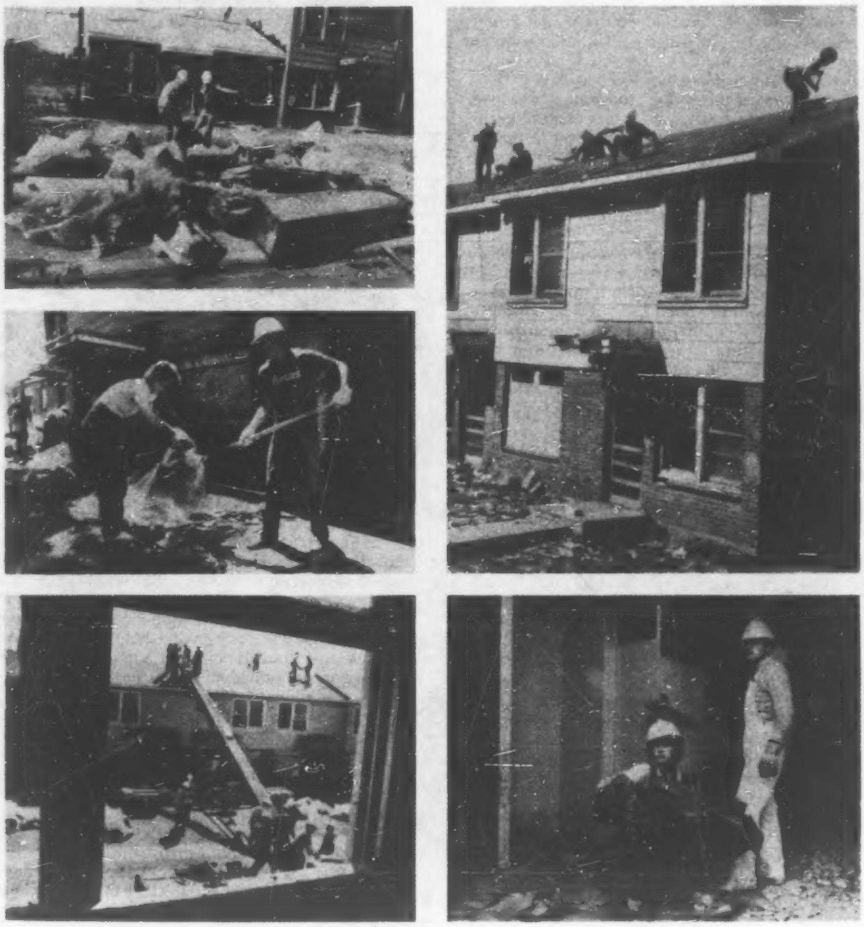
Chairman Gonzalez. Thank you for an excellent statement.

At this point I ask unanimous consent to place in the record the written material presented to the subcommittee by Mr. Herrington that provides background, and a very detailed summary, plus the Dallas Housing Authority housing project summary that was given to us earlier this morning. I think it should be in the record.

I had another unanimous consent request that we place into the record the Dallas Morning News of Tuesday, October 8, headline, "Subsidized Mortgages Diverted From Target Areas," for the record.

[Mr. Herrington submitted the following materials for inclusion in the record: Dallas Housing Authority 1984 Annual Report; Final Report and Recommendations of the West Dallas Design Charette; Report on the Lake West Master Plan; DHA Housing Project Summary and a newspaper article submitted by Chairman Gonzalez from the Dallas Morning News titled "Subsidized Mortgages Diverted From Target Areas." The material follows:]

Dallas Housing Authority
1984 Annual Report



Introduction

The Dallas Housing Authority took several historic actions during 1984 to provide the city a low-income housing program in which typical apartments are attractive, clean, safe and well managed. At the same time, construction delays and funding setbacks affected the progress of an extensive modernization program.

Washington Place was sold to Baylor Health Care System in the spring, concluding a two-year effort to reduce the city's inventory of obsolete public housing and generate $9.5 million to upgrade more viable DHA apartments at other locations.

Audelia Manor, a new 123-unit development for elderly and handicapped persons, was completed during the summer and occupied successfully.

The Lake West Master Plan, funded mostly by private local foundations, was completed and received favorable initial reaction from federal and local officials. It provided DHA a clear conceptual framework for community revitalization in West Dallas by reaching toward goals which surpass ordinary public housing modernization. Construction began in the first Lake West pilot areas to test new architectural approaches and restore several vacant buildings for occupancy.

Comprehensive modernization by DHA's own design and construction staffs continued at Turner Courts and Brackins Village during 1984. At Rhoads Terrace, roof replacement, model unit construction and most improvements to streets, parking and utilities were accomplished, but unresolved questions about total federal funding held up the desired progress.

Another temporary setback occurred when the U.S. Department of Housing and Urban Development (HUD) did not allocate any modernization money to Dallas from its 1984 funding cycle.

Substantial funding for physical improvements and security patrols, however, was provided by the City of Dallas Community Development Block Grant Program. Energy conservation funds from the Texas Department of Community Affairs also helped to upgrade DHA housing to an acceptable standard.

More than 2,000 church volunteers organized by the STEP Foundation saved DHA money by donating their time to participate in modernization efforts on two Saturdays at Rhoads Terrace and one Saturday at two Lake West developments.

Routine administration, management and daily operations were refined throughout the year, often capitalizing on DHA's computer system. Major changes in resident selection practices also were introduced to prevent staff or applicant abuses such as those disclosed by an internal investigation in the spring.

Important steps also were taken to revise the public housing lease; begin new rent computation methods; automate rent collection and eviction procedures; update the Manual of Operations; and reorganize the Section 8 Moderate Rehabilitation Program. Each was designed to help balance DHA's obligation to provide efficient administration with sensitivity to individual tenant needs and respect for tenant rights.

Overseeing all of these efforts during 1984, 10 Dallas citizens served without pay on the five-member DHA Board of Commissioners. They set far-reaching policies, oriented the staff to key priorities and accepted responsibility for deciding controversial public issues.

The Dallas Housing Authority also counted upon several key representatives in the U.S. Congress, HUD officials, the mayor of Dallas, members of Dallas City Council and the City of Dallas staff to carry out daily operations affecting almost 30,000 citizens.

Highlights Of 1984

January

▶ A DHA report concluded that Washington Place had become uninhabitable, with few prospects for modernization in a reasonable period of time. Based on a change in the federal housing law, DHA continued to negotiate for acceptable conditions and replacement units in order to sell the project to Baylor Health Care System.

▶ DHA appealed to HUD for additional funds to complete Rhoads Terrace modernization; applied for second phase funding of Elmer Scott Place and Edgar Ward Place modernization; and applied for full funding to modernize George Loving Place and Cedar Springs Place Addition.

▶ City officials dedicated the Dallas Police Lake West Substation.

▶ A new merit pay plan recommended by A.S. Hansen Associates and an improved retirement program for DHA employees were approved by the Board of Commissioners.

February

▶ Dallas City Council approved the sale of Washington Place and a group of tenants took steps to block the sale in U.S. District Court.

▶ Environmental consultant Ian H. von Lindern advised the Board of Commissioners about lead contamination damages to DHA property, clean-up techniques and housing policies to protect Lake West residents.

▶ STEP Foundation volunteers reroofed nine buildings and removed several tons of debris at Rhoads Terrace.

March

▶ HUD approved DHA's application to sell Washington Place.

▶ DHA signed a contract permitting the court-appointed special master to replace lead-contaminated soil at George Loving Place.

April

▶ Washington Place was sold for $9.5 million and Baylor University Medical Center began to demolish the project.

▶ Audelia Manor was purchased by DHA from the developer/general contractor.

▶ Modernization needs and management practices were reviewed by a team of HUD engineers and auditors.

▶ The Lake West Master Plan was published and presented to Dallas City Council and federal officials in Washington, D.C. and Fort Worth.

▶ DHA Executive Director Jack D. Herrington testified before a subcomittee of the U.S. House of Representatives about quality standards for public housing modernization, federal funding levels and a need for flexibility in local modernization.

May

▶ An investigation by DHA and the Dallas Police Department resulted in disciplinary action affecting 10 employees, an attempt to prosecute one employee for bribery and procedural reforms to correct abuses in the assignment of housing.

▶ Southland Corporation offered to provide apartment buildings to DHA from areas being cleared for its Cityplace development.

▶ A meeting was held with the acting regional administrator of HUD to answer questions about the Lake West Master Plan.

▶ The DISD Home & Family Life Program closed permanently after four decades of service to adult residents of public housing.

June

▸ Dallas City Council approved Community Development Block Grant funds for security doors and hardware at Rhoads Terrace and a special allocation to help pay for the Lake West Master Plan.

▸ STEP Foundation volunteers helped replace roofs on remaining buildings and continued interior demolition work at Rhoads Terrace.

▸ Sixteen apartments at Elmer Scott Place were turned over to the Dallas Chapter of the American Red Cross as a temporary shelter for the city's homeless families.

July

▸ Architectural firms of Selzer Associates/Selzer-Volk-Borne and Peterson, Littenberg Architects began developing construction documents and drawings for two pilot areas in Lake West.

▸ DHA's 1984 operating budget was approved by HUD with reduced operating subsidy.

▸ A major contract was executed for site improvements at Rhoads Terrace.

August

▸ An application was submitted to HUD for 106 units of new public housing which, added to 92 units at Simpson Place and 150 units of Section 8 Moderate Rehabilitation housing, will replace all the units demolished at Washington Place. Advertising was initiated to locate suitable properties.

▸ The Board of Commissioners approved a new DHA organizational structure.

▸ A proposal was sent to the Texas Department of Community Affairs to obtain a grant for energy conservation improvements.

▸ DHA applied to HUD for 109 Section 8 Existing units and 66 units of Housing Vouchers for use in cooperation with the City of Dallas Rental Rehabilitation Program. HUD also allocated 20 Section 8 Existing units for the Dallas Rental Rehabilitation Demonstration Program.

September

▸ The 1985 United Way campaign was DHA's most successful in four years, with 291 employees pledging $13,562.

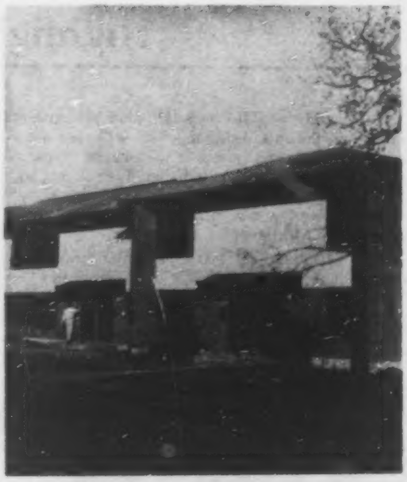
▸ DHA construction employees began modernization work on three buildings in Elmer Scott Place.

▸ DHA assisted private citizens and the City of Dallas in setting up a job training program in Lake West.

October

▸ Construction financing for Simpson Place renovation was committed by InterFirst Bank Dallas based on a DHA bond rating of "A" by Standard & Poor.

▸ HUD approved 106 new three-bedroom and four-bedroom public housing apartments for DHA.



▸ The Texas Department of Community Affairs provided a grant of $167,000 for energy conservation improvements.

November

▸ Mayor A. Starke Taylor Jr. appointed a new DHA Board of Commissioners.

▸ The Dallas Housing Authority dedicated Audelia Manor on Nov. 16 and presented community service awards.

▸ Renovation of Simpson Place began shortly after permanent bond financing was finalized.

▸ The STEP Foundation marshaled more than 1,500 church volunteers for an extensive interior demolition, clean-up and painting effort in two Lake West projects.

▸ HUD notified DHA informally that approval would not be granted for a proposed amendment of the Housing Assistance Plan or modernization funding requested in January.

▸ The General Accounting Office reviewed DHA budgets and operations to gather research for the U.S. Congress about the effect of proposals to reduce operating subsidy for vacant public housing units nationwide.

December

▸ The first orientation sessions were held for the new DHA Board of Commissioners.

▸ Accountants from Blakeway & Company began a fiscal audit of DHA operations in 1983 and 1984.

Housing Development

Audelia Manor

Interior finish work in 123 apartments was the focus of construction activity at the Dallas Housing Authority's $5.5 million Audelia Manor development in the first quarter of 1984.

Final construction was slowed by negotiations with The Buell Companies, developer and general contractor for the turnkey construction project, over correction of deficiencies.

The new complex for elderly and handicapped people, located at 10025 Shoreview Rd., was purchased by DHA on April 13 and a letter of credit was issued to cover any additional corrective work during a warranty period.

In May, the building was put into service and the first apartments were leased. Fire alarm problems, plumbing leaks and other warranty items slowed initial occupancy, but all apartments except barrier-free units were leased by September.

DHA dedicated Audelia Manor on Nov. 16 with ceremonies involving U.S. Rep. Steve Bartlett, Mayor A. Starke Taylor Jr., Dallas City Councilman Dean Vanderbilt and Alvin W. Latimer of the Region VI Office of HUD.

Simpson Place

After a lengthy process of acquisition and negotiation for construction financing, DHA made major progress toward renovation of Simpson Place in 1984.

The 92-unit complex was purchased for $1.4 million during 1983 in anticipation of the sale of nearby Washington Place. Simpson Place was scheduled for $665,000 in improvements under the Section 8 Substantial Rehabilitation Program.

DHA and a private contractor chosen for the work expected a construction loan by spring. A change of interest rates blocked one source of financing, however, and led DHA to pursue other financing options through the summer.

In September, Benton & Company agreed to finance construction through bond sales. HUD approved the bond financing package and a closing was held Nov. 28. DHA crews began construction immediately with rough framing and electrical work in the first group of apartments, and replacement of concrete balconies.

Other New Housing

As a result of the sale of Washington Place, DHA was authorized by HUD to develop 150 units of low- income housing under the Section 8 Moderate Rehabilitation Program and to build 106 new public housing units.

Advertisements were published requesting proposals from property owners and brokers interested in selling suitable land and/or buildings.

DHA also evaluated an offer by Southland Corporation to provide apartment buildings from an area scheduled for clearance as part of the development of Cityplace.

Without any clearly acceptable proposals, DHA explored the possibility of constructing 106 three-bedroom and four-bedroom apartments in open areas at Cedar Springs Place.

The search for suitable sites and financial analysis of each new option continued during the fall. The architectural selection process also was started for this new housing development.

DHA continued to evaluate sites offered for both types of housing from a larger geographical area, investigated acquisition of vacant lots owned by the City of Dallas, and proposed that the city government act as owner of the Section 8 Moderate Rehabilitation units.

Section 8 Moderate Rehabilitation

DHA's Section 8 Moderate Rehabilitation Program leased 231 formerly deteriorated houses and apartments of a possible 235 units under the total HUD allocation available during 1984.

A newly assigned staff made dramatic improvements in internal program management by examining all files, reorganizing records and integrating accounting and operating procedures with successful techniques from the Section 8 Existing Housing Program.

The Section 8 Moderate Rehabilitation Program preserved and increased the number of dwelling units in Dallas available to low-income and moderate-income households by attracting rehabilitation financing from lending institutions.

The single largest project of 1984 was Park Place, a deteriorated development of 32 one-bedroom units at 405 N. Ewing Ave. in Oak Cliff. A duplex at 4813-15 Leland Ave. also was renovated.

One major accomplishment was resolution of a dispute over regulations violated at the 156-unit Robin Square Apartments, DHA's largest Section 8 Moderate Rehabilitation complex.

Technical assistance and new procedures developed by DHA helped the property owner achieve 100 percent occupancy at Robin Square for the first time since it was renovated in 1982. Other results were dramatic reductions in tenant turnover, better overall property condition and improved maintenance services.

Modernization

Obsolete, deteriorated DHA apartments at several sites were restored to standard condition during 1984 according to a master schedule for improving the city's entire stock of public housing.

As the year began, the $10.1 million modernization of 550 units at Frazier Courts by Guyco Engineering Company was completed except for corrective items. Force account construction (use of DHA construction workers) continued throughout the year at other developments.

Rhoads Terrace

DHA continued efforts to obtain additional federal funds for Rhoads Terrace modernization during 1984 to assure that this construction program would achieve the same standards of quality applied throughout DHA developments.

Dallas City Council formally supported these standards as well as an appeal to HUD for $3.8 million to supplement the initial $6.4 million committed at Rhoads Terrace.

Key objectives were to reroof the entire project using staff and volunteer labor, to complete a significant portion of site/utility improvements using a general contractor, and to renovate all apartments in two test buildings using the new staff of DHA construction workers.

Six buildings were vacated early in the year by transferring families under the tenant relocation plan and HUD approval was sought to demolish two buildings containing 12 units to create more open space.

Preliminary interior demolition and rough framing then proceeded in the first two buildings, as well as reroofing, fascia repair and gable vent replacement. Plans and specifications also were finalized for private contractors to carry out the site improvements and to install prefinished metal soffit and fascia.

The STEP Foundation recruited more than 500 church volunteers to reroof nine buildings and remove debris on one Saturday in February with support from Mayor A. Starke Taylor Jr. During a second roofing, interior demolition and clean-up day in June, roofs on three more buildings were replaced, interior demolition of five buildings was finished and several more tons of debris were hauled away.

Halfway through the year, a fenced storage compound was established using the two vacant buildings tentatively scheduled for demolition and all remaining buildings were reroofed.

In September, Guyco Engineering Company began site work including new and improved streets; storm sewers; underground electrical, telephone and water lines; new off-street parking areas and sidewalks; and fire hydrants. The contractor also bid successfully to supply and install windows, doors and security hardware. Another contractor completed installation of the prefinished soffit and fascia by year end.

Turner Courts

The $4.1 million modernization program at Turner Courts continued in four buildings containing 28 apartments as 1984 began. The first building and rough framing and electrical work in the remaining buildings were nearly complete.

Engineering working drawings were approved by HUD in the spring and Dallas Water Utilities began evaluating the existing water supply and fire protection systems.

The first modernized building was completed in April. A contractor began underground electrical and telephone line installation in the fall. Meanwhile, new porch canopies were designed to enhance the exterior appearance of buildings and storm drainage specifications were prepared.

In the fall, energy management controls were installed for testing in some modernized apartments.

Modernization at Turner Courts experienced several setbacks in obtaining services of contractors. All bids for exterior painting of windows and installation of new soffit, fascia and canopies were rejected because they exceeded the amount budgeted.

Five buildings were complete at year end and interior demolition of the ninth building in the construction sequence got underway.

Brackins Village

The first phase of a $1.3 million modernization program continued in Brackins Village, involving demolition and rough framing of the first two buildings, pilot units and apartments not needed for initial tenant relocation during 1984.

Rough gas line, plumbing and electrical work continued on site in the spring while DHA's architectural staff worked closely with the City of Dallas to upgrade the fire protection and water supply systems. New porch canopies and pitched roofs also were designed.

At the request of residents, the feasibility of refinishing original hardwood floors in living areas was explored as an alternative to covering them with vinyl tile. Refinishing was rejected after a demonstration and cost estimate.

Plans and specifications were completed for underground utilities, parking, streets, recreation areas and exterior finishes. In September, the first three apartments were completed. By year end, 12 of the project's 102 apartments were ready to be occupied.

Elmer Scott Place

DHA construction crews worked on five buildings at Elmer Scott Place during 1984: two for an emergency housing program and three buildings in a pilot area to test proposed Lake West architectural modifications.

A grant of $170,000 from the Emergency Jobs Stimulus Bill was used to renovate 16 apartments as a temporary shelter for homeless families through the City of Dallas and Dallas Chapter of the American Red Cross.

Work in the pilot area, also involving 16 units, was carried out in the last quarter of the year. Interior demolition; basic electrical, plumbing and rough framing work; and drywall installation were accomplished in four units.

Other Improvements

- At Little Mexico Village, all buildings were reroofed and new gas line extensions were installed.
- Extensive site improvements were made at Cedar Springs Place.
- All occupied units in Lake West were caulked and weatherstripped; selected buildings were reroofed; and new security doors and hardware were installed at Elmer Scott Place.
- At Park Manor, improvements included a new roof, new air conditioner cooling tower and new fire service emergency operation on elevators.
- Parking lots were sealcoated at Park Manor, Brooks Manor and Cliff Manor.
- The Turnkey III Management/Community building was renovated and major improvements — including a new gymnasium — were carried out at the Turnkey III Boys Club.
- Extensive site grading and drainage improvements were made at Forest Green Manor.
- A waterproof coating was applied to balcony decks at Lakeland Manor to stop rain water from leaking onto floors, and the building's automatic front entrance doors were replaced.

Fiscal Year Ending December 31, 1984

Housing Authority Of The City Of Dallas
Consolidated Statement Of Income And Expense
For The Year Ending December 31, 1984

Revenue		
Total Operating Receipts Exclusive Of HUD Contribution		$ 7,605,440
Expenses		
Administration	$ 2,895,821	
Tenant Services	145,805	
Utilities	5,307,621	
Maintenance And Operation	4,011,791	
General	2,099,607	
Protective Services	60,153	
Payment To Landlords (Section 8)	10,948,759	
Non-Routine Maintenance	861,272	
Capital Expenditures	710,882	
Prior Year Adjustments	(104,703)	
Total		$26,937,008
Operating Deficit Before HUD Contribution		$19,331,568
Operating Subsidy (Tex 9-1-Tex 9-17) And Annual Contribution (Section 8)		$20,121,653
Net Operating Receipts After HUD Contribution (Note 2)		$ 790,085

(Note 1)

Operating Reserves — Low Rent	$5,336,474
Operating Reserves — Turnkey III	614,770
Operating Reserves — Section 8	894,761
Total	$6,846,005

(Note 2)

Operating Receipts After HUD Contribution — Low Rent	$ 600,293
Net Operating Receipts After HUD Contribution — Turnkey III	(49,016)
Net Operating Receipts After HUD Contribution — Section 8	238,808
Total	$ 790,085

Social Services

Project managers and DHA social workers linked residents to a wide spectrum of public and private service agencies to meet needs ranging from geriatric health care and housekeeping education to youth employment and emergency financial assistance.

There were both gains and losses as several private foundations and churches attempted to replace services closed by federal funding reductions.

The DISD Home & Family Life Program, for example, was discontinued after nearly 40 years of service to DHA residents. The homemaking teachers' last tasks were development of a financial counseling program and organization of a remedial training program for poor housekeepers.

Consumer Credit Counseling Service of Dallas used grant funds to provide financial planning assistance to individual residents at Roseland Homes, Cedar Springs Place, Rhoads Terrace, Turner Courts and Frazier Courts.

The Family Guidance Center also launched part-time counseling and referral services at Roseland Homes and the City of Dallas Health Department provided free health screening at this site on a trial basis.

In addition to ongoing case assessment and referrals, DHA social workers:

- Assisted the Greater Dallas Community of Churches Friendly Visitor Program in pairing church volunteers with residents to call on sick and homebound people at Special Purpose Housing.
- Arranged low-cost flu immunizations by public health nurses for 143 residents at four elderly developments.

- Helped organize and carry out the 1984 Healthworks medical screening fair at Edgar Ward Place and Rhoads Terrace.
- Helped the West Dallas Network for Family Advancement and the Dallas Police Department present a Juvenile Justice Forum for Lake West residents.
- Studied day care centers used by residents and determined that 409 children were receiving services in six DHA developments.
- Compiled a brochure identifying summer camping opportunities for low-income children and teenagers, analyzed summer youth employment opportunities and recruited children to participate in the Children's Arts & Ideas Foundation summer program.
- Arranged for Artreach Dallas to furnish free tickets to six resident councils periodically for cultural, sports, performing arts and recreational events.

Among dozens of other organizations which provided important social services to DHA residents during 1984 were the Texas Department of Human Resources, Salvation Army, Washington Street Presbyterian Mission, Generation Gap, STEP Foundation, Dallas Urban League, Boys Clubs and Girl Clubs of Dallas, Project HOPE, Dallas Chapter of the American Red Cross, Big Heart Ministries, YWCA, YMCA, Visiting Nurse Association, Texas Rehabilitation Commission and City of Dallas Park & Recreation Department.

Maintenance

The Dallas Housing Authority's Maintenance Department and Work Order Center completed 44,527 service requests in 1984 and prepared 854 vacant apartments for occupancy by new tenants.

Staff priorities were rapid make-ready of vacant units; prompt response to tenant service requests; and exterior appearance improvements such as trimming or removing overgrown trees and shrubs, cleaning up trash and debris, mowing grass, introducing new landscaping materials in barren spaces, tractor-edging sidewalks, repairing yards damaged by vehicles and patching streets.

DHA continued to use private contractors for apartment painting and landscape maintenance at highrise developments.

Routine maintenance by project-level staff and centralized technical crews included: 1,120 apartment interiors painted; all units treated at least twice during the year for pest control; 171 orders completed for preventive vehicle maintenance; 911 vehicle repair orders completed; 832 landscape equipment repair orders completed; 2,876 refrigerators repaired; 568 air conditioner units repaired; 235 cabinets, 480 cabinet drawers, 73 vanities and 74 countertops built and/or installed; 224 door jambs and 118 doors made; graffiti removed from 171 buildings; 31,564 feet of wood molding milled; 8,472 window shades manufactured; 3,863 aluminum and 2,539 stainless steel screens fabricated; and 88 fire-damaged apartments restored.

Maintenance crews also installed 819 new stoves and 1,208 new refrigerators under a phased appliance replacement program.

Other routine activities involved extensive tape/bed, texturing and sheetrock work; window glazing; smoke detector installation and testing; painting of door numbers and fire lanes; repairs to fencing, brick and asbestos siding; floor tile replacement; and extensive repairs to leaking water pipes, gas lines and fire hydrants.

Thousands of hours also were spent repairing and upgrading street lights; patching and replacing roofs; removing debris from porch canopies; and transporting appliances.

The extraordinary efforts of 1984 were:

▶ Closing of Washington Place by boarding apartments, disconnecting all utilities and salvaging storm doors, appliances, maintenance supplies, trash bins and mail boxes.

▶ Preparation of Audelia Manor for occupancy while identifying and supervising correction of construction deficiencies.

▶ **Residents worked closely with the DHA** maintenance staff to begin a major landscaping program at Frazier Courts, including roto-tilling, leveling, raking and planting lawns with Bermuda grass seed; watering at frequent intervals to establish new yards; and installing barberry, nandina and crepe myrtle plants.

▶ Restoration and relocation of the flood-damaged DHA computer center while remodeling offices for displaced departments.

▶ Conversion of the former nursery area at Edgar Ward Place into quarters for the Dallas Police horse patrol stationed in Lake West.

▶ Removal of old shingles from buildings at Rhoads Terrace in preparation for the STEP Foundation volunteer roofing efforts.

▶ Improved landscaping at Roseland Homes, including new plants, shrubs and freeze-proof water hydrants.

Training classes covered work order processing, stove and refrigerator repairs, defensive driving, supervisory safety responsibilities and masterkeying of locks.

Special Reports

General Administration

■ *New Organization* — The Board of Commissioners approved a revised organizational structure in 1984 to adjust for DHA's increased development and construction workload and to improve management effectiveness.

■ *New Commissioners* — Mayor A. Starke Taylor Jr. appointed a new DHA Board of Commissioners in November. William F. Farrell Jr., David G. Fox, Ralph G. Martinez, Mattie L. Nash and John L. Schoellkopf filled vacancies created by the expired terms or resignations of Jack Spring, Bea Sutherland, Ernest R. Ochoa, Cincy Powell and Peter W. Baldwin.

■ *Budget* — When the 1984 budget was approved in July, earned income in excess of previous estimates was deleted from DHA's federal operating subsidy. After further analysis and detection of subsidy computation errors, net reductions proved less serious than first thought and the budget was revised in the fall.

■ *HUD Evaluation* — As part of the federal modernization funding process, HUD engineers inspected the physical condition of several DHA housing projects in April. This Joint Review was combined with a Management Review involving approximately 20 HUD representatives. A report issued in the summer required DHA to take several minor corrective actions.

■ *Computer* — On the first day of 1984, DHA's basement-level data processing center was damaged by four feet of standing water after freezing weather caused a water main to break in a nearby building. Computers were inoperable for seven work days and a computer manufacturer's local office provided emergency back-up services.

An obsolete computer system still used for general ledger accounting was destroyed by the flooding. Video display terminals at DHA projects were out of service for three weeks. Offices were moved to a first floor location and all ruined equipment was replaced.

New systems or reports were implemented during 1984 for accounts payable; Turnkey III accounting; Section 8 accounting; general ledger; rent collection and eviction; former tenant histories; applicant waiting lists, selection and assignment processing; tenant accounting; construction labor and material cost tracking; cost-center budgeting; inventories; and modernization materials analysis.

■ *Inventory* — Internal audits of materials and nonexpendable equipment inventories were conducted in January. Several inventory system improvements were made to provide more useful and accurate reports, integrate inventory data into accounting operations and assign responsibility for property.

A new computerized reconciliation system for perpetually updating the location of appliances eliminated the need for manual year-end appliance inventories every year; helped to reduce thefts of appliances; and provided summaries of maintenance and parts costs.

Program Management

■ *Resident Selection Investigation* — Two Dallas Housing Authority employees were fired and eight others were transferred, demoted or given reprimands in the spring following an internal investigation of irregularities in the assignment of public housing to families registered by a manual waiting list system.

The investigation, conducted in cooperation with the Dallas Police Department and the DHA legal counsel, resulted in the indictment of one employee on bribery charges. The criminal charges later were dismissed. Two of the disciplined employees resigned.

DHA administrators also identified several violations of official policies during a detailed review of records, interviews with employees and interviews with Southeast Asian tenants who claimed they had been victimized by employee misconduct.

Deputy Executive Director David C. Morton was assigned temporary responsibility for direct supervision of resident selection and overall housing management. Several changes in personnel and procedures were made to prevent future abuses in tenant assignment.

- *Lease Enforcement* — Computerized rent collection and eviction procedures were implemented at the beginning of the year to improve efficiency, consistency and uniform treatment of residents.
- *Management Training* — Procedural and record-keeping deficiencies noted during internal audits prompted a series of weekly training meetings for managers and management clerks as well as a two-week orientation for new management employees. The summer training covered file construction, documentation and verification; annual and interim tenant reexaminations; rent calculations; budgets; move-ins, move-outs and transfers; work orders; unit inspections; excess utility charges; rent collection procedures; and evictions.

In the fall, more classes were given to train the management staff in the use of new rent computation methods required by the Housing and Community Development Act of 1981 Amendments and the Urban Rural Recovery Act of 1983.

Washington Place Sale

A DHA report on future options for Washington Place concluded that its 347 apartments were unsafe, that continued occupancy threatened the health and safety of remaining residents, and that modernization could not be accomplished within an acceptable period of time.

A 1983 amendment to the U.S. Housing Act of 1937 enabled the DHA Board of Commissioners to negotiate new conditions for the sale of Washington Place to Baylor Health Care System and in February, Dallas City Council approved it.

When residents were notified of the impending action, many moved to other subsidized housing of their choice and received relocation payments.

In March, an application for approval of the proposed sale was submitted to HUD administrators in Washington, D.C. and various legal requirements were met. Attorneys for a group of tenants asked the U.S. District Court to block the sale. Approval of DHA's application to sell Washington Place was received from HUD in April. A settlement of the tenant law suit subsequently was reached.

The $9.5 million sale was closed April 17 and Baylor Health Care System made an initial payment of $3 million. DHA announced that the first priority for proceeds of the sale would be modernization of Cedar Springs Place and Little Mexico Village.

Demolition began immediately, and after the last families were relocated, clearance of the 17.37-acre site was completed in early summer.

Lake West Police Substation

Two apartments remodeled by DHA were dedicated in January for use by a team of five officers assigned to special daytime patrols in George Loving Place, Elmer Scott Place and Edgar Ward Place.

Mayor A. Starke Taylor Jr., Police Chief Billy Prince, Councilman Paul Fielding, DHA Commissioner Bea Sutherland, Executive Director Jack D. Herrington and Resident Council President Pauline Garey took part in ceremonies opening the Lake West Police Substation. The police officers concentrated on building closer community relations by walking through the projects and patrolling on horseback.

Lead Contamination

Ian H. von Lindern, an environmental consultant, was employed early in 1984 to advise DHA attorneys, administrators and the Board of Commissioners regarding protection of residents and property in George Loving Place from hazardous lead particles in soil caused by the nearby RSR Corporation lead smelter.

During the first quarter, the smelter was closed and DHA signed an agreement with the court-appointed special master responsible for removal of contaminated soil to begin clean-up measures.

Although the smelter was sold to Murmur Corporation in April, attorneys continued negotiations with the original owner to reach an appropriate settlement for DHA property damages and loss of rental income.

In the fall, private contractors working for the special master began soil replacement. DHA observers noticed, however, that the contractor was causing damage to trees, sidewalks, water lines and buildings in the clean-up process and notified the special master.

The soil replacement was slowed by weather conditions at the end of the year and DHA requested that the contractors take precautions to avoid unnecessary property damage.

Turnkey III Home Sales

The Dallas Housing Authority sold 36 single-family houses during 1984 through its Turnkey III Homeownership Opportunities Program, bringing the total sold to 106 of 385 originally built.

Accounting and mortgage finance personnel handling sales of Turnkey III houses focused on closing sales to qualified buyers; assisting and informing earlier homebuyers about homestead exemptions; counseling interested families about the purchase process and credit requirements for mortgages; and using letters, phone calls and evening or weekend visits to encourage long-time residents to purchase their homes.

Families which had lived at Turnkey III for at least 10 years typically could purchase their houses for a relatively modest cash outlay. Most buyers continued to use conventional 10-year mortgages arranged by DHA through Dallas Federal Savings & Loan Association.

In nearly all cases, the new homeowners ended up paying less each month on their mortgages than they had been paying in rent. Residents who completed only part of the purchase process benefited from free DHA legal services whenever title searches disclosed mechanic's liens, tax attachments or other judgments against them.

Community Development Block Grant

Based on the advisory committee's recommendations, Dallas City Council approved $1.7 million for Dallas Security Force patrols at Roseland Homes, Frazier Courts, Rhoads Terrace and Turner Courts; $50,000 in CDBG funds to help pay for the Lake West Master Plan; and $500,000 for security hardware at Rhoads Terrace.

The CDBG program also allowed DHA to utilize funds originally designated for minor energy conservation measures at several projects for replacement of deteriorated casement windows at Cedar Springs Place.

Public Housing Weatherization

In August, DHA submitted a funding proposal to the Texas Department of Community Affairs for energy conservation (weatherization) improvements at three public housing projects using part of a $4 million grant to the State of Texas from the U.S. Department of Energy. In October, the state agency allocated $167,000 to be combined with Community Development Block Grant funds to pay for replacement of deteriorated windows in Little Mexico Village and Cedar Springs Place.

Section 8 Existing Housing

The primary goal of the Section 8 Existing Housing Program in 1984 was to lease all 3,024 dwelling units previously allocated in order to take advantage of a new 400-unit HUD allocation.

As the year began, the program's application process for families needing one-bedroom and two-bedroom dwellings was reopened to the public and inactive registrations for three-bedroom units were purged to produce a useful applicant list.

A marked increase in total program activity was attributed to higher Fair Market Rents allowed to the private landlords and a record number of families seeking subsidized housing. The activity level was evident in the rate of requests for property inspections; substantial increases in the number of applications, briefings and certificates issued; and addition of many housing units which passed the HUD housing quality standards inspection on the first attempt.

During the spring, the deadline to register for one-bedroom and two-bedroom units was extended and the application process was expanded to accept applicants needing three-bedroom and four-bedroom units. Two thousand applicants responded and the program was closed temporarily at the end of April when it achieved 100 percent occupancy as scheduled.

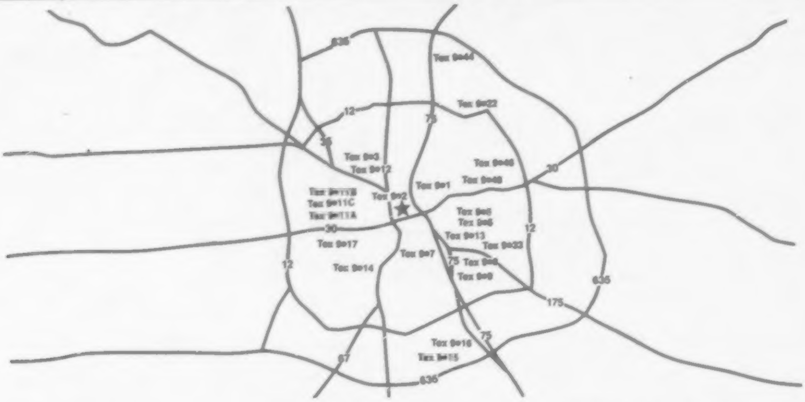
In May, DHA conducted research and drafted a letter to 44 mayors and housing authorities in suburban Dallas-area cities requesting their participation in a HUD housing mobility program which would allow Section 8 Existing tenants to live in privately owned apartments outside the city limits of Dallas and enable suburban certificate-holders to live in Dallas.

During the summer, new HUD regulations were received, including an eight percent increase in Fair Market Rent levels effective Oct. 1. New training, forms and procedures were used to implement the changes, which made the program conform to procedures used by DHA's other assisted housing programs.

The Section 8 Existing program also signed its first contract under the Rental Rehabilitation Demonstration Program sponsored by the City of Dallas. Applications were submitted to HUD in August for 129 additional Section 8 Existing Housing units and 66 units of Housing Vouchers. These new units will be used as part of the city government's program.

Minor corrective actions were taken during 1984 after a management review of the Section 8 Existing Program by the HUD Regional Office.

Directory Of Developments



Tex 9•1, ***Roseland Homes***
611 units, completed 6/15/42
2021 N. Washington Ave. 75204
Management: 823-2151

Tex 9•2, ***Little Mexico Village***
102 units, completed 9/16/42
3027 Harry Hines Blvd. 75201
Management: 742-2878

Tex 9•12, ***Cedar Springs Place***
165 units, completed 9/18/37
Tex 9•3, ***Addition***
220 units, completed 11/7/42
2531 Lucas Drive 75219
Management: 559-5048

Tex 9•5, ***Frazier Courts***
250 units, completed 11/1/42
Tex 9•6, ***Addition***
300 units, completed 6/21/52
4900 Hatcher St. 75210
Management: 421-7617

Tex 9•7, ***Brackins Village***
102 units, completed 7/23/52
1544 E. Eighth St. 75203
Management: 942-4882

Tex 9•8, ***Turner Courts***
294 units, completed 11/15/52
6601 Bexar St. 75215
Management: 428-1538

Tex 9•9, ***Rhoads Terrace***
426 units, completed 4/25/53
5712 Pilgrim Dr. 75215
Management: 421-2161

Tex 9•11A, ***George Loving Place***
1,093 units, completed 4/19/54
Special Purpose Housing
381 units
3320 Rupert St. 75212
Management: 631-4880
Tex 9•11B, ***Edgar Ward Place***
1,429 units, completed 11/7/53
3901 Holystone St. 75212
Management: 631-7180
Tex 9•11C, ***Elmer Scott Place***
455 units, completed 1/16/54
2600 Morris Ave. 75212
Management: 631-0880

Tex 9•13, ***Park Manor***
201 units, completed 3/31/71
3333 Edgewood St. 75225
Management: 421-5123

Tex 9•14, ***Brooks Manor***
233 units, completed 9/30/71
630 S. Llewellyn Ave. 75208
Management: 942-1639

Tex 9•17, ***Cliff Manor***
185 units, completed 9/30/74
2423 Fort Worth Ave. 75211
Management: 943-5911

Tex 9•15, ***Turnkey III***
Turnkey Estates
186 homes, completed 7/8/70
Tex 9•16, ***Turnkey III***
Bonnie View Estates
199 homes, completed 8/17/70
4204 Tioga St. 75241
Management: 225-4202

Tex 9•22, ***Audelia Manor***
122 units, completed 4/13/84
10025 Shoreview Rd. 75238
Management: 340-8958

Tex 9•33, ***Oakland Apartments***
55 units, acquired 10/1/81
4001-4011 Oakland Ave. 75215
Management: 421-5400

Tex 9•44, ***Forest Green Manor***
252 units, completed 2/7/79
9730 Shepherd Rd. 75243
Management: 349-8110

Tex 9•46, ***Lakeland Manor***
172 units, completed 4/15/80
3105 Peavy Rd. 75228
Management: 324-3895

Tex 9•48, ***Simpson Place***
92 units, acquired 10/14/82
3922 Simpson St. 75246
Management: 826-5982

Board Of Commissioners

Jack Spring
Chairman
(term ended 12/4/84)

Ernest R. Ochoa
Vice Chairman
(term ended 12/4/84)

Bea Sutherland
Vice Chairman
(term ended 12/4/84)

Peter W. Baldwin
(term ended 12/4/84)

Cincy Powell
(term ended 12/4/84)

David G. Fox
Chairman
(assumed duties 12/4/84)

Ralph G. Martinez
Vice Chairman
(assumed duties 12/4/84)

William F. Farrell, Jr.
(assumed duties 12/4/84)

Mattie L. Nash
(assumed duties 12/4/84)

John L. Schoellkopf
(assumed duties 12/4/84)

Jack D. Herrington
Executive Director
Secretary to the Board

For more information about the Dallas Housing Authority
and its programs, please call or write:
Dallas Housing Authority
2525 Lucas Drive
Dallas, Texas 75219
(214) 526-8581

Notes about the photographs . . .

Cover — Church volunteers and roofing contractors organized by the STEP Foundation help Dallas Housing Authority crews reroof buildings, remove discarded shingles and clear debris from vacant apartments to begin Rhoads Terrace modernization in February.

Inside Cover — Mayor A. Starke Taylor Jr., left, and City Councilman Paul Fielding assist other STEP Foundation volunteers at Rhoads Terrace.

Page 1 — Left, Baylor University Medical Center purchased Washington Place and began clearing the site in April. Right, U.S. Rep. Steve Bartlett, DHA Board Chairman Jack Spring, Mayor A. Starke Taylor Jr., Resident Council President Clarice Groves and HUD Regional Housing Management Specialist Alvin W. Latimer dedicate Audelia Manor on Nov. 16.

Page 2 — Two buildings in Elmer Scott Place were modernized to provide 16 apartments as temporary shelter for homeless families under a program operated by the Dallas Chapter of the American Red Cross.

Page 4 — Tonya Allen watches Terry St. John of Guyco Engineering Co. caulk around a new window in her apartment at Little Mexico Village. The work was funded in 1984 through the Community Development Block Grant Program administered by the City of Dallas and a U.S. Department of Energy grant administered by the Texas Department of Community Affairs.

Page 5 — Top, Rafael Garcia of DHA's tape/bed crew finishes the ceiling of an apartment during Turner Courts modernization. Center, new roofs and porch canopies were added to buildings at Brackins Village during modernization. Bottom, a pilot building at Elmer Scott Place was used to test several possible architectural modifications for Lake West.

Page 6 — Left top, a STEP Foundation church volunteer paints plywood panels on a vacant building at Elmer Scott Place during STEP One West. Left bottom, DHA painter Nietta Marie McGee strips paint from an existing door frame in the Lake West pilot construction area. Right, Francisco Balderaz of DHA's construction staff repairs bricks on a Lake West building during modernization.

Page 7 — Left, an architect's conceptual drawing from the Lake West Master Plan proposes a Town Center with retail/office space, social services and new elderly highrise buildings overlooking Fish Trap Lake. Right, another master plan drawing suggests various modifications for existing buildings to improve neighborhood security, management effectiveness, parking and appearance.

Page 10 — Left top, tenant leaders from all DHA elderly developments share a Christmas meal at Audelia Manor after December's Council of Presidents meeting. Left bottom, Velton Randall, Resident Council President; Bob Sharp, Director of Management; Deborah Strong, Cliff Manor Manager; Faye Thomason, Cliff Manor Resident Activity Leader; and Della Estep, one of the first residents, celebrate Cliff Manor's 10th anniversary with a cake. Right, Mary Simmons, chaplain of the George Loving Place Resident Council, leads a group of 15 Summer Youth Employment Program workers in an extensive litter clean-up campaign.

Page 11 — Left, Forest Green Manor resident Myrtle Wise, one of many elderly or handicapped DHA residents given special curbside voting privileges, marks her primary election ballot in the parking lot of Stults Road Elementary School. Right, Lt. Richard Bee of the Dallas Security Force takes fingerprints from Charmaine Jones as her mother, Teresa, watches during Operation Ident-A-Kid at Roseland Homes.

Page 12 — Donnie Davison, a Summer Youth Employment Program worker assigned to DHA's Maintenance Department, assists in planting grass seed and more than 1,700 shrubs to restore an attractive landscape at newly modernized Frazier Courts.

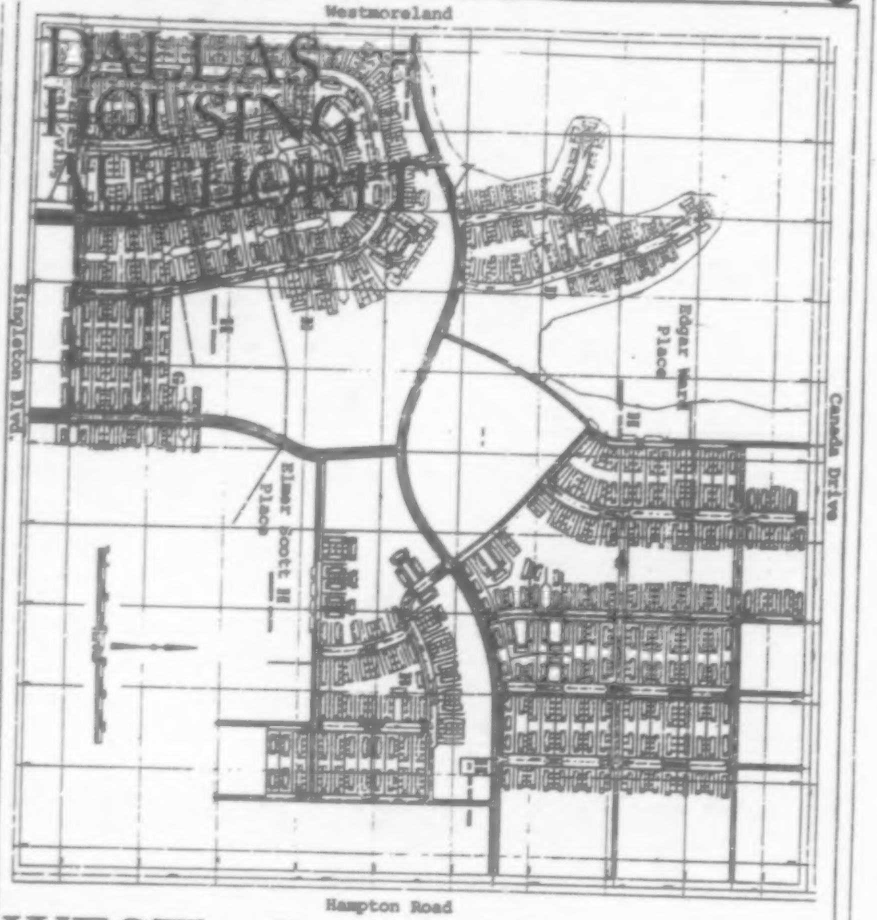
Page 13 — Electric pumps and fans were used to remove water from DHA's flooded data processing center after freezing weather caused a water main to break in a nearby building.

Page 15 — Community Development Block Grant funds approved in 1984 enabled the Dallas Security Force to expand its coverage to Cedar Springs Place and Little Mexico Village in 1985. Officer Cynthia Blake chats with Lee Edward Arkansas of Cedar Springs Place.

Inside Back Cover — Ernest R. Ochoa served as Vice Chairman until March 28 and was succeeded by Bea Sutherland. Mayor A. Starke Taylor Jr. appointed a new DHA Board of Commissioners in November.

Prepared and printed by the Communications Office, Dallas Housing Authority
6-85-2M

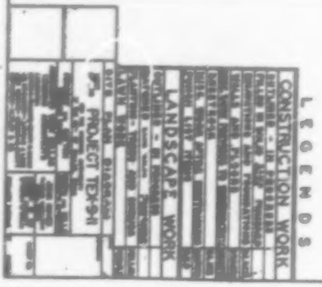
EXHIBIT C


Westmoreland
DALLAS HOUSING AUTHORITY
Singleton Blvd
Edgar Ward Place
Canada Drive
Elmer Scott Place
Hampton Road

WEST DALLAS

DESIGN CHARETTE

JULY 14-17, 1983


LEGENDS
CONSTRUCTION WORK
LANDSCAPE WORK
PROJECT TEX-9-1

FINAL REPORT AND RECOMMENDATIONS OF THE WEST DALLAS DESIGN CHARETTE

CONDUCTED
JULY 14-17, 1983
DALLAS, TEXAS

CO-SPONSORED BY
THE DALLAS CHAPTER OF THE AMERICAN INSTITUTE OF ARCHITECTS
AND
THE INSTITUTE OF URBAN STUDIES,
THE UNIVERSITY OF TEXAS AT ARLINGTON

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CHAPTER 1.0

INTRODUCTION

The Dallas Housing Authority, the Institute of Urban Studies of the University of Texas at Arlington, and the Dallas Chapter of the American Institute of Architects convened a West Dallas Urban Design Charette on July 14-17, 1983 in Dallas, Texas. A "charette" is defined as a short intensive effort to arrive at a stated goal or specific product. The Charette, was planned in response to recommendations last February from a sixty member City of Dallas Taskforce which studied the Authority and documented its findings in a report entitled Report of Task Force On Public Housing. This report represents the conclusions of the Dallas Housing Authority Urban Design Charette.

The Dallas Housing Authority (DHA) was created by action of the City Council in 1938 in order to assist in providing affordable housing to low and moderate income persons and to persons with special needs such as the elderly or handicapped. The Authority presently operates and has the management responsibility for a number of housing projects located throughout the City of Dallas. Our focus in this study and this presentation will be solely on the three housing developments in West Dallas known as George Loving Place, Edgar Ward Place and Elmer Scott Place which in total have approximately 3,500 housing units. Housing owned and operated by the Dallas Housing Authority in West Dallas has been a serious problem for some time. According to Jack Herrington, Executive Director of the Authority, housing in its present condition is a disgrace to the city. Due to the sheer magnitude of the problem in West Dallas, it has been extremely difficult to determine appropriate action.

1.1 Charette Objective

The goal of the Charette is to freely consider a wide range of theoretical and practical strategies for this major urban design problem in West Dallas. This includes, but is not limited to, prospects of the redevelopment and revitalization of the West Dallas property as a safe and secure place for family life. The study is to include the development of innovative strategies to assist in the long range planning for improvements. The Urban Design Team is charged to generate ideas based upon its experiences directed toward several questions including the following:

> Can the West Dallas housing project in its present configuration and density be renovated and made into a safe healthy place for families to live? If the answer to that question is yes, then what steps should be taken to achieve that goal? If the answer is no, then what changes should be made in physical layout, density, landscape and other critical factors that would provide a viable living environment in West Dallas?

A number of other questions regarding alternative uses of land and other development issues were suggested as being within the scope of the Charette assignment.

1.2 Team Composition

The Charette included not only specialists from Dallas but also those from other parts of the United States who are prominent in the fields of architecture, urban design, engineering, planning, business and economic development, municipal and federal government, environmental health, security, psychology, and social work. Because a large number of the members were from outside of Dallas, their contributions were unencumbered by local issues and political considerations enabling a more objective approach to the problem. The local team members brought special knowledge of the City, and added depth and meaning to the issues. The multi-discipline composition of the group was one of its strongest assets.

1.3 Method of Organizing the Charette

The procedure utilized in the Charette required that extensive advance information be sent to each of the Charette members including the Report of the Task Force on Public Housing presented to the City of Dallas in January, 1983, and the West Dallas Strategy Economic Development and Neighborhood Preservation Study prepared for the City by Real Estate Research Corporation in March, 1983. In addition, data was prepared concerning the history, physical characteristics, demographics, health and environmental data, economics, security and other data pertaining to the specific problems in the West Dallas community. Following a general orientation the Charette Team gathered additional information directly from people in the West Dallas community and through site visits. A

DHA Manager Richard Brim and Edgar Ward Place Resident Council President Helen Myers participate in the open forum held in West Dallas.

Dallas City Councilman Paul Fielding discusses West Dallas with Charette Team member Bob Scifres.

series of interviews were held with a number of individuals and organizations in the neighborhood with varied interests and insight into the nature of the problems confronting the community. Based upon this data, the group developed specific issues and categorized these into broad classifications. The strengths, weaknesses, and opportunities of these issues were presented and discussed in considerable detail. A series of alternative conceptual frameworks followed. After much discussion and brain-storming, the team selected a direction to pursue that was thought to be the best overall. The conceptual framework was then tested against the policy issues that it was intended to address. Conceptual designs and an implementation schedule for subsequent actions including the development of this report, followed.

This report does not present final solutions to the problems, but it does represent proposals for a new beginning for West Dallas. Its authors, the Charette Team members, envision that it will stimulate thought for the constructive revitalization of West Dallas.

The limitations inherent in an effort of this nature are well recognized. Complete and substantive information cannot be fully organized, analyzed and interpreted in the time allotted. Nevertheless, it is felt that the specifics being presented will prove useful and will provide the Authority and the City Council of Dallas with guidance for pursuing a detailed, long-range revitalization plan. The following major issues were identified by the Charette members.

A. Consideration should be given by the Board of Commissioners of the Housing Authority and by the City Council of the City of Dallas to redefining the specific mission of the Dallas Housing Authority from solely a mission of housing to one of housing, community and economic development.

B. The broad policy issues by category were designated as follows:

   1) Housing development potential including issues of choice, income, housing design and type, locational analysis, and tenure options

   2) Support services including commercial development, security, job training, and mediating services

3) Environmental quality including environmental protection, flood plain, environmental health and services

4) Implementation requirements including financing, scheduling, land use instruments and mechanisms, policy and design definitions and recommendations, management and participating processes

The Charette Team members sincerely hope that the results of this study will be of value to the Dallas Housing Authority, the City Council, and the citizens of Dallas and that an improved quality of living conditions will be possible for all of the people in the West Dallas housing development.

However, it is again imperative to note that this set of concepts is only a beginning. The West Dallas area can be seen as having great possibility for serving the low income population. But, to realize that goal, much additional research, planning and design will be required. The potential is there. To tap the potential of West Dallas and its citizens is the challenge facing all of the citizens of Dallas.

Charette Team members Troy Marceleno and Richard Tankerson talk with a handicapped West Dallas resident.

CHAPTER 2.0

BASIC PROBLEMS AND SOLUTIONS

In any consideration of housing quality one has to consider the extent to which a particular area, neighborhood, or housing unit satisfies basic human needs and aspirations. Besides the obvious physical and shelter needs, most of us would agree that people have needs or strong desires for individuality and a positive self-image, for choice or control over their lives and property, and for a feeling of belonging to a community. Although these needs can be met in a variety of ways, a person's housing environment can have a decidedly positive or negative influence on the extent to which these needs can be fulfilled.

It is our consensus that as it is presently constituted, the West Dallas housing development does not meet the needs of the residents, and may in fact frustrate them. We will briefly outline the problems as we see them and suggest specific solutions and their expected benefits. This outline does not exhaust the broad range of issues and solutions addressed in this report. It is only meant to highlight some of the ideas that underly many of the proposals presented. It should also be pointed out that our focus on problems should not blind people to a number of positive aspects of the West Dallas housing development (e. g., spaciousness) and the many positive characteristics of its residents.

2.1 Image and Stigma

A. Problem

The similarity of style, visual blandness and dreariness of the present housing areas has resulted in an unfavorable image to both outsiders and residents. Living in such a development comes to be seen negatively, and this is reflected in the manner in which the area is treated by some of the residents. The proximity of the housing to the lead smelter and its pollution is an additional source of stigma.

B. Solution

The appearance of the present structures and nearby environs should be changed to a level of attractiveness similar to that found in private multiple-unit housing. This would involve changing the physical features of the buildings, the landscaping, and the spatial arrangement of the housing units relative to one another.

C. Benefits

Residents will not only have increased satisfaction with their housing, but they will also have more pride in it and in themselves as residents of the area.

2.2 Site Design

A. Problem

The West Dallas housing development consists of three large projects with long rows of identical apartment buildings. The overall size and sameness of the development and the patterning of the buildings tends to produce a sense of anonymity. This inhibits the development of a sense of community or belonging which in turn limits the positive sense of identity that residents can derive from their living environment.

B. Solutions

1) Reorganize the three developments into definable areas, each with a somewhat different "look" and identity (e. g., type of life styles or type of tenure). These areas could be demarcated by streets or other obvious boundaries and could have distinct resident organizations.

2) Differentiate smaller neighborhoods from larger sections through design techniques (e. g., by different configurations of buildings) and occupant rent levels or homeownership. Each small neighborhood, or cluster, could have a resident organization

Late evening found the Charette Team still deeply engaged in work.

Mattie Nash of the West Dallas Advisory Committee talks with Bob Lima of the Charette Team.

including among other things, a neighborhood coordinator who would monitor neighborhood security, tenant compliance with rules, and resident needs.

3) Develop a town center adjoining all three West Dallas housing areas. Such a center could become a focus for community involvement and could provide a broad range of community services as well as commercial activities.

D. Benefits

Residents will live in a distinct or unique neighborhood and will as have a stronger association with the immediate and surrounding areas. This should increase feelings of individuality, self-worth, and pride in one's own neighborhood as well as a greater sense of community. The neighborhood coordinator positions provide opportunities to give meaningful roles to capable people in the community to work toward the betterment of their own and their neighbors' lives. These individuals could be rewarded for their roles by reductions in rent or other amenities. The town center could become a focus and outlet for community pride and involvement.

2.3 Control and Choice

A. Problem

One of the fundamental issues in environmental quality is the extent to which the environment controls people instead of people controlling the environment. The residents of the West Dallas housing development have very little control over their own living environments. They have little choice as to where they live, few options of moving to better housing, and severe limitations on their ability to personalize their dwellings (inside and out). They are extremely vulnerable to exploitation and crime.

B. Solutions

1) Residents should be provided a choice of housing type and neighborhood. Housing type may vary from completely subsidized housing, to housing in which private ownership can be obtained.

Neighborhoods can also vary in their architectural appearance and amenities (e. g., carports close in parking, fenced yards, gardens and different architectural styles).

2) Residents of rental housing should be allowed to personalize their dwellings both inside and outside to a greater extent than presently allowed. The rules and limitations for this should be defined by resident community groups in conjunction with the Authority through the establishment of design criteria guidelines.

3) Resident involvement with management and security should be broadened. Resident councils and/or representatives should continue to have input into neighborhood or community policies and should be asked to play an expanded role in maintaining security and environmental standards in the neighborhoods.

C. Benefits

Residents will have a greater opportunity to develop a sense of security and control over their lives, a feeling of ownership or territoriality, and a sense of pride in their living environment

In conclusion, to some outsiders and residents the plight of the West Dallas housing developments may seem hopeless. The Charette team members believe that if significant and broadly based changes of the type suggested in this report are not carried out, the future of these projects is indeed bleak. Yet, with the proper changes and guidance, there is hope not only for the eventual success of the housing but also for that of its residents. This document contains suggestions and changes for achieving a viable community. The associated positive changes might create an environment for new opportunities for a larger group of residents. Mere environmental changes are not enough. Opportunities for improved living accommodations, for a variety of rental options and actual ownership, for job training and job opportunities and for numerous other housing support services will help transform this significant area from a state of "hopelessness" to one of "hopefulness".

CHAPTER 3.0

HOUSING DEVELOPMENT POTENTIALS

3.1 Levels of Housing

This section of the report addresses how the West Dallas housing development can be organized by income and housing unit. The intent is to develop a diversity of coordinated housing at varying prices that relate to different levels of housing and neighborhood amenities in order to provide each resident with choices for safe, sound and affordable places to live.

It is recognized that the population currently residing within the West Dallas housing area is diverse representing a variety of lifestyles, cultural backgrounds and, within limits, incomes. These residents, of course, have many differing wants and desires for fulfilling their housing needs.

The proposed development, as it will be redesigned, must include a number of differentiated neighborhoods with many characteristics in common such as a visable "center" with a convenience grocery store and a small public area (indoor and outdoor), spontaneous or planned meetings and congregating.

With the exception of neighborhood housing for special purpose residents (e.g., the neighborhoods for the elderly and handicapped), the new housing may be divided into several mixes of housing:

A. housing at far below market rents;
B. housing somewhat below market rents;
C. housing at market rents;
D. resident owned housing.

The intent of creating these four housing mixes is two-fold:

A. To create opportunities for low income members of the West Dallas housing development community to own their own homes, indeed, to encourage them to do so; and

The open forum in West Dallas included all Managers, all Maintenance Supervisors and all Resident Council Presidents as well as the Charette Team members and DHA staff.

Dr. Andrew Seidel and DHA Maintenance Supervisor Bradford Harris review the maintenance problems in Edgar Ward Place.

B. To facilitate and foster neighborhood cohesiveness by differentiating among the locations of neighborhoods and categories of housing.

Although housing within different areas would provide different levels of amenities, it is critical to note that most units within the West Dallas housing development should first be renovated and modernized to at least the quality of the recent modernization efforts of the Dallas Housing Authority.

Lastly, it should also be noted that before any renovation or modernization takes place, DHA should commission studies that consider design factors which (1) increase the resident satisfaction and (2) recognize safety and community social characteristics. These would include the participation of the residents in the programming and design and property management process.

3.2 Rental and Ownership Property: Financing and Locations

The policy objective in revitalization and redeveloping the three West Dallas housing development is to provide diversity of housing opportunities through the provision of four housing alternatives:

A. Subsidized housing for households that meet existing income limitations

B. Sub-market rate housing for those who have incomes which exceed existing regulations, but who cannot afford market rate rentals

C. Market rate rental units with monthly costs comparable to surrounding neighborhood rental units

D. Home ownership opportunities (see sections on Financing, Chapter 4)

Based upon the housing tenure, demographic and neighborhood characteristics within the surrounding areas as well as physical and market locational factors, we recommend that the housing alternatives described above, be generally targeted toward the following geographic areas within the property:

A. Subsidized housing located in central, west side central, and north side of the development area

B. Sub-market rate housing can be located on blocks surrounding and within the town center

C. Market rate housing in northwest corner, central east side, and southeast corner

D. Home ownership located in north side, and the northeast side

The southwest corner may ultimately be put back into use for subsidized housing after the lead problem is resolved. The east side of the area, now underdeveloped and largely underutilized park space, should be considered as a land resource to augment homeownership single-family units for local residents and for residents who might be relocated from elsewhere in the city.

3.3 Design Recommendations

3.3.1 Observations

Analysis of existing conditions through observation:

A. Buildings are relentlessly similar and regimented in an east-west pattern. No individualized locations within housing areas are defined except at the edges.

B. Buildings appear institutional and do not have a traditional homelike quality.

C. Fronts of houses are indistinguishable from the backs.

D. Streets do not occur at front entries.

E. Parking is not related to house location.

Charette member Troy Marceleno talks with several of West Dallas younger residents.

Charette Team member Barbara Littenberg listens intently during the opening work session.

F. End walls are windowless prohibiting interaction with the streets and monitoring of parking areas which run predominately in a north-south direction. Graffiti can be found most often on end walls.

G. Open spaces are ill defined and poorly utilized relative to functions. They convey a sense of barrenness due to unending vistas and apparent "no - man's" land.

H. The project appears physically isolated and unconnected to the adjacent neighborhoods.

The architectural program can be divided into three distinct areas of concern:

A. The house exterior - the unit

B. The block or building clusters

C. The overall plan and adjacencies (contiguous buildings or land)

3.3.2 Recommendations for Improvements at the Scale of the Units

Modification to the existing units should be explored in the following areas in order to individualize and diversify their character and increase real resident control for improved security.

A. Styling changes to be achieved during code enhancement and reconstruction

B. Roof forms (pitched) to achieve a more traditional appearance of "house"

C. Entry ways can be varied and porch elements introduced

D. Ornamental details and materials

E. Windows and window panes

F. Design standards to be established which permit tenants to personalize their homes

Jobs
Skills Training

Dr. Sandy Moore presents recommendations for job training programs to the Charrette Team.

Charrette member Lou Sauer organizes priorities during the opening work session.

3.3.3 Recommendations for Improvements at the Scale of the Blocks

A. Create a traditional pattern of blocks and streets.

1) Provide streets with parking at front house entries.

    1. all houses to have street address names and numbers

2) Retain pedestrian access to rear yard space from block ends as well as from house entries.

    1. close block ends via:

        a. additional units perpendicular to existing building;
        b. parking structures with or without units above;
        c. walls;
        d. open iron fences.

Advantages

1) Extend "private" realm of individual house into yard (garden) space.

2) Establish a defined domain beyond inside of unit - to be looked after, cared for, and used by the individual tenant.

3) Reduce the amount of security and maintenance area allotted to DHA; tenant is given more responsibility.

4) Provide functional differenciation for formal and informal activities directly related to the interior house floor plan.

B. Achieve variety of place within area by differentiating units and blocks.

1) Block size can vary.

2) Introduce heirarchially organized functional usable open areas separating open spaces by use, size and scale: small children spaces within blocks and ball playing fields between neighborhoods.

3.3.4 Recommendations for Improvements at the Scale of the Overall Plan

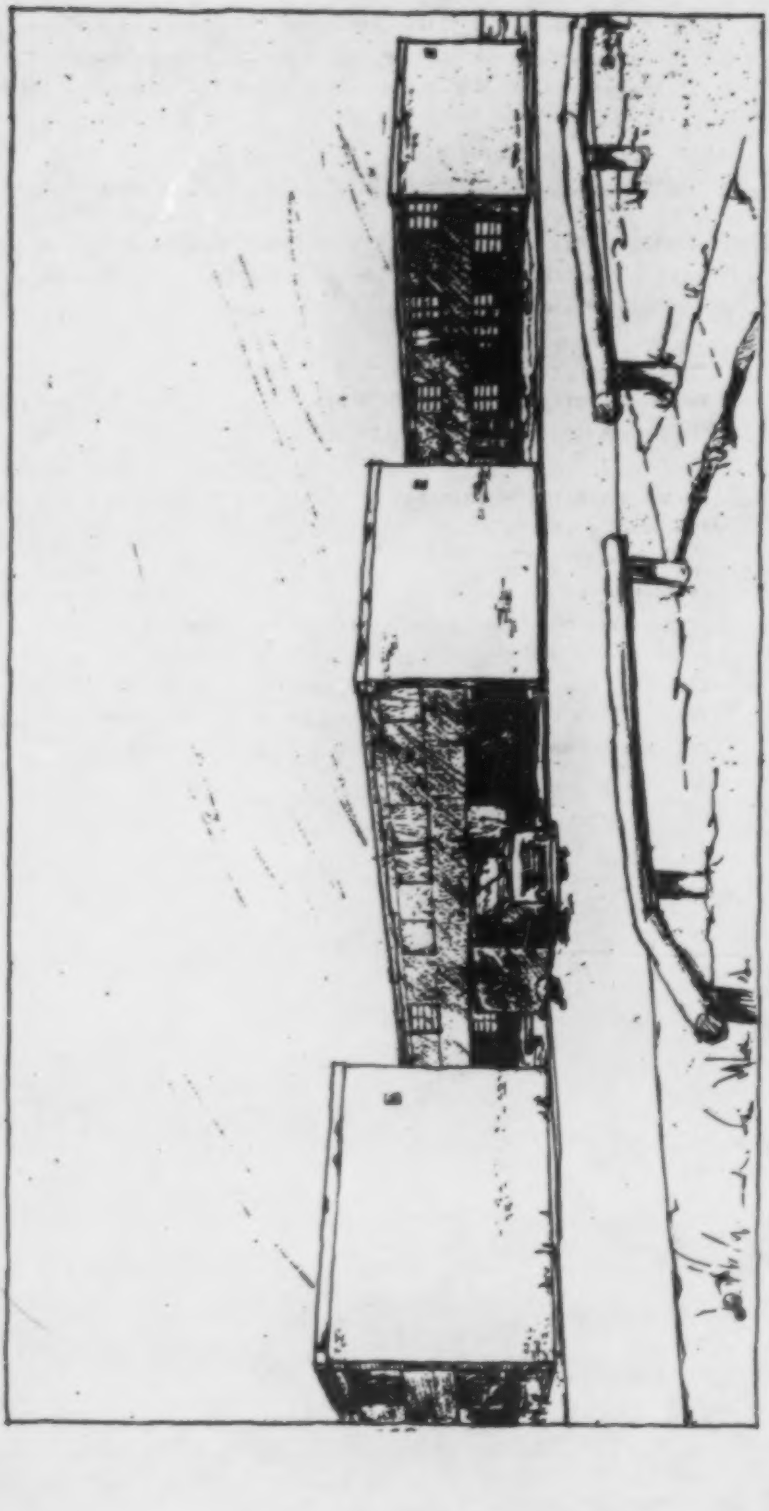
General philosophy: the West Dallas housing neighborhoods should be conceived physically as "normal" housing for people to live in and not separated out as projects from the larger community.

A. Promote more road connections and continuities with adjacent areas. Encourage interpenetration in a natural way to make the precinct of the neighborhoods more accessible.

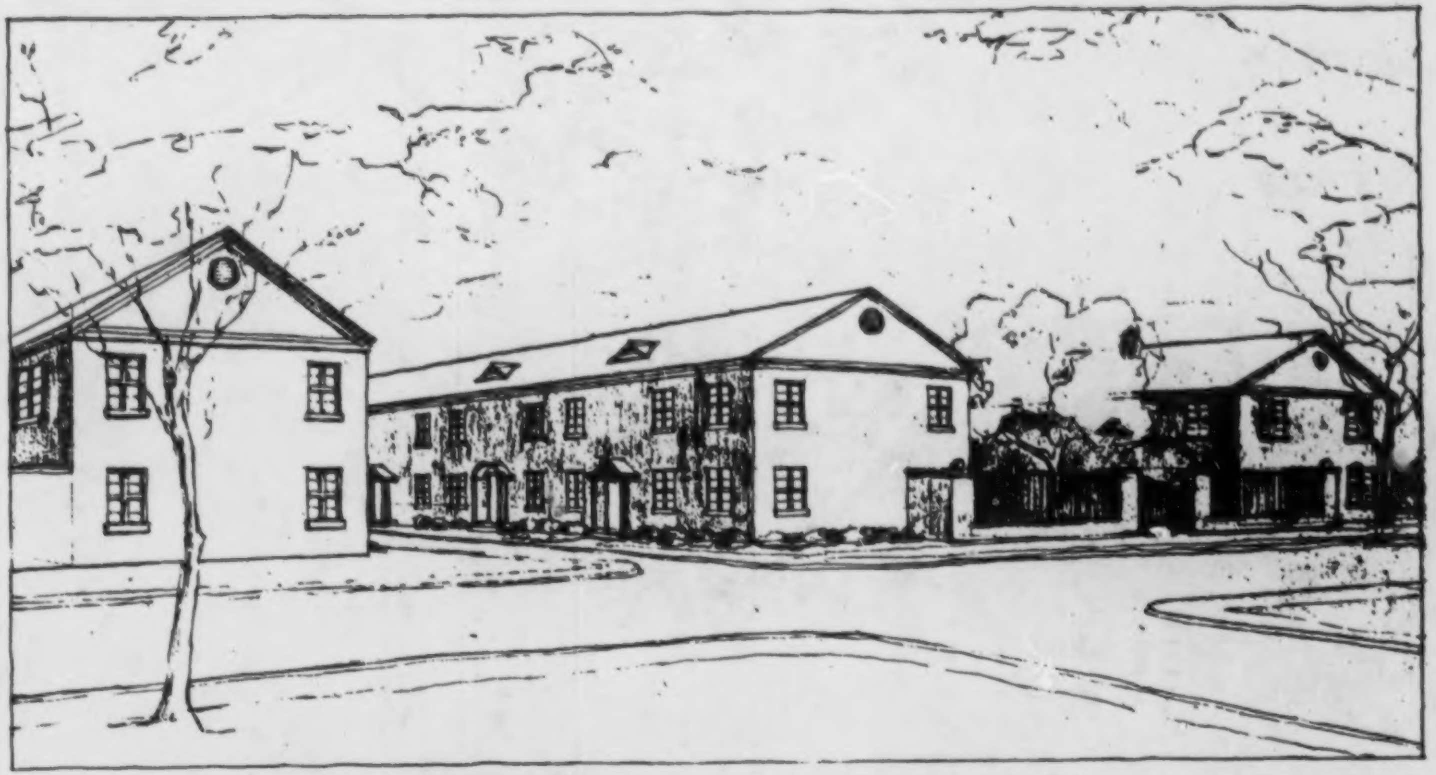
B. Create extension of existing grid patterns to connect northeast and southwest portions of the project.

C. Establish town center along the flood plain to locate support services, civic services, retail, offices and housing.

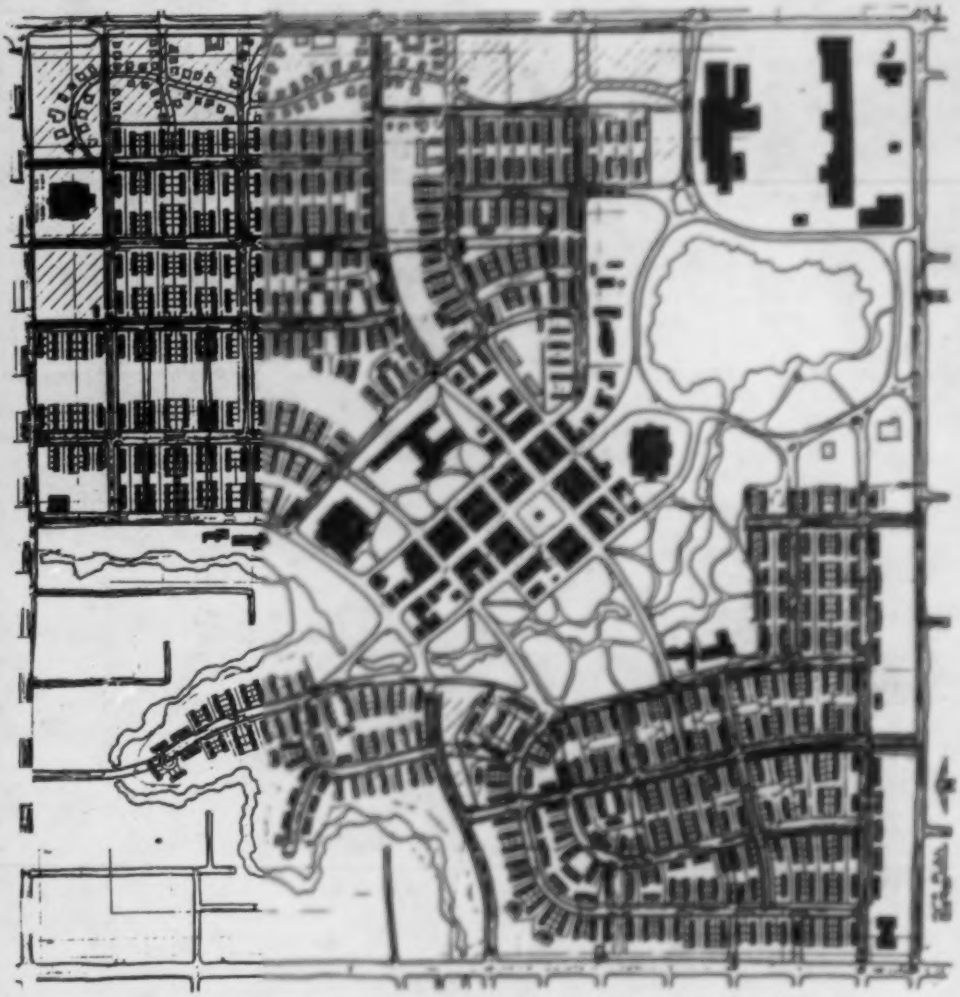
D. Allow for easy access and high visibility by residents of other West Dallas areas into the town center to encourage mixing among the larger community.



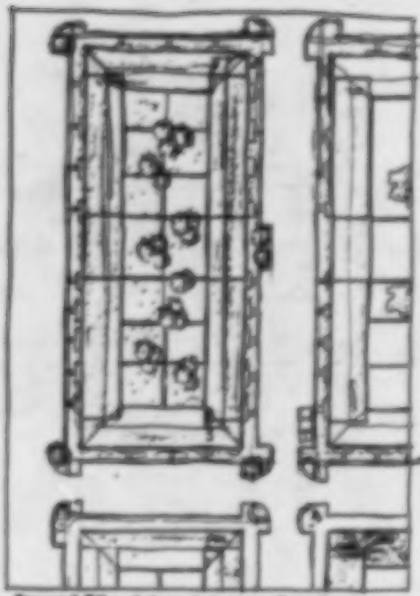
This rendering shows a segment of the project as it now appears.



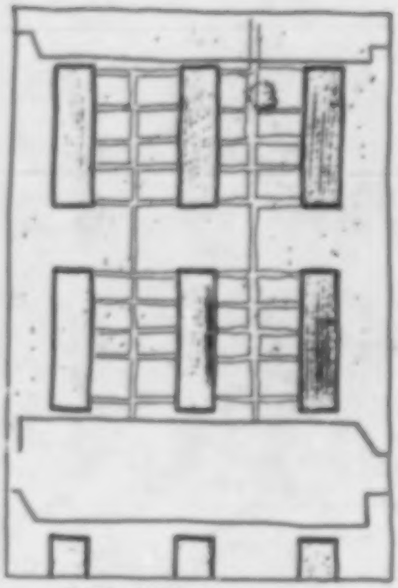
This rendering represents the same segment of the project as it would appear after the recommended design changes were implemented.



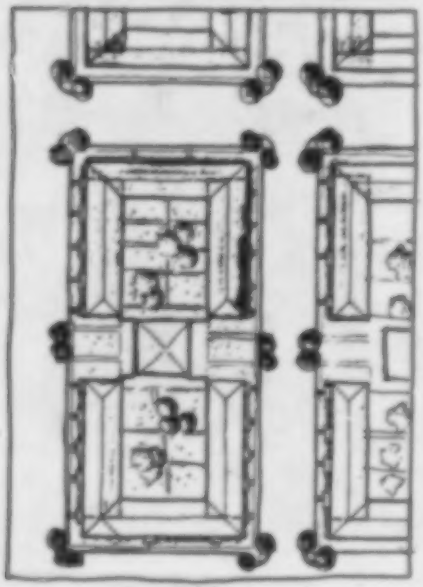
This drawing represents the revised site plan for the West Dallas project. The dark areas in the middle of the site represent the "Town Center" approach. The existing street on the east boundary is proposed for the relocation of single family dwellings.



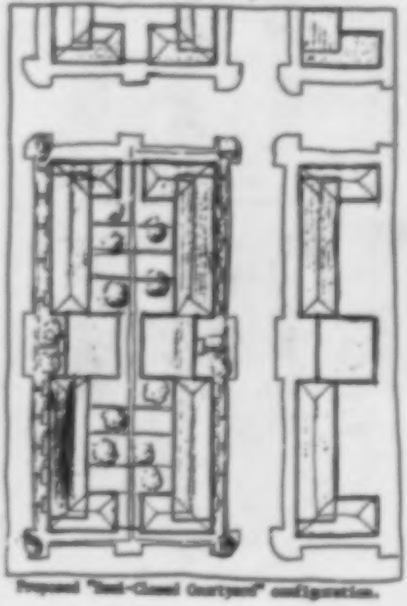
Proposed "Closed Central Courtyard" configuration.



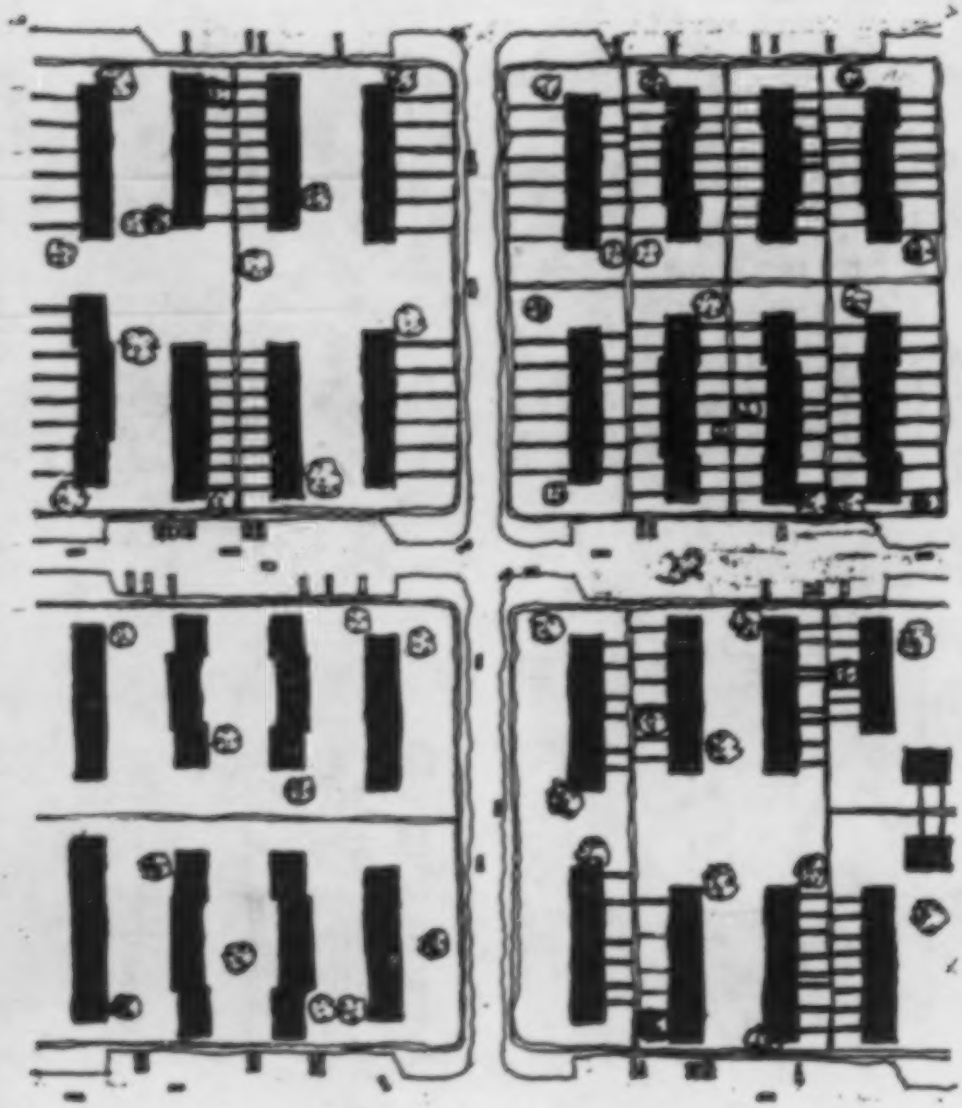
Existing building configuration.



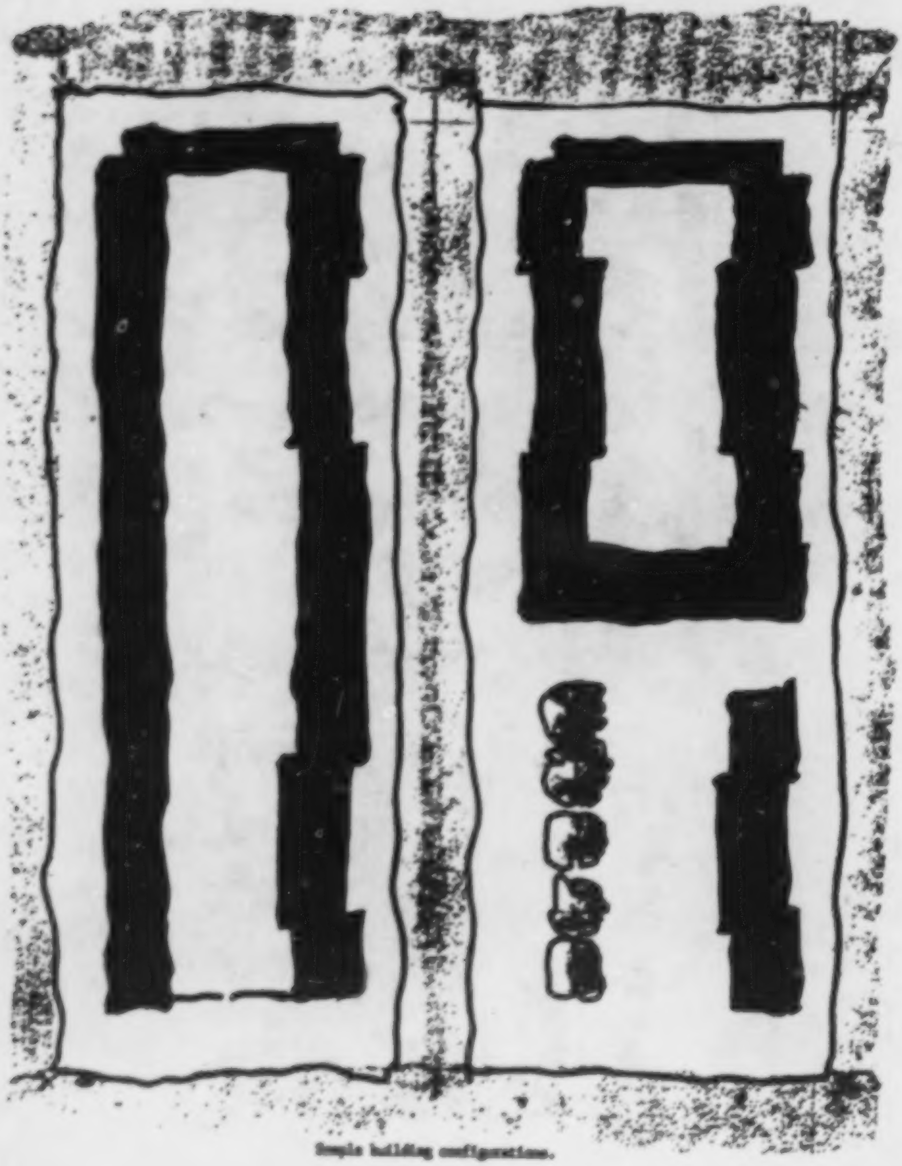
Proposed "U" configuration.



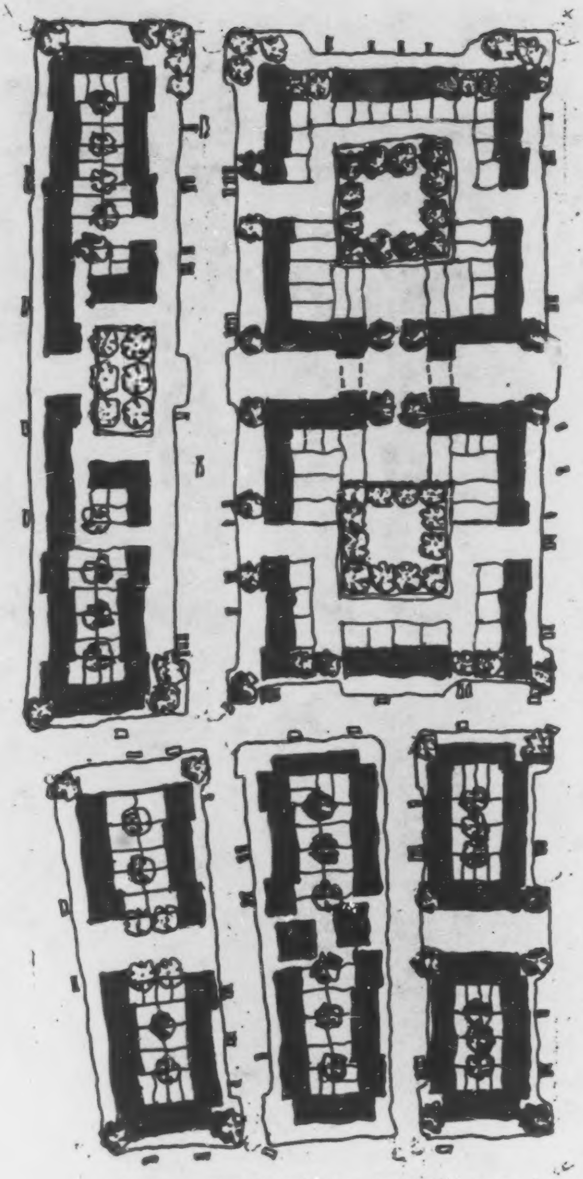
Proposed "Semi-Closed Courtyard" configuration.



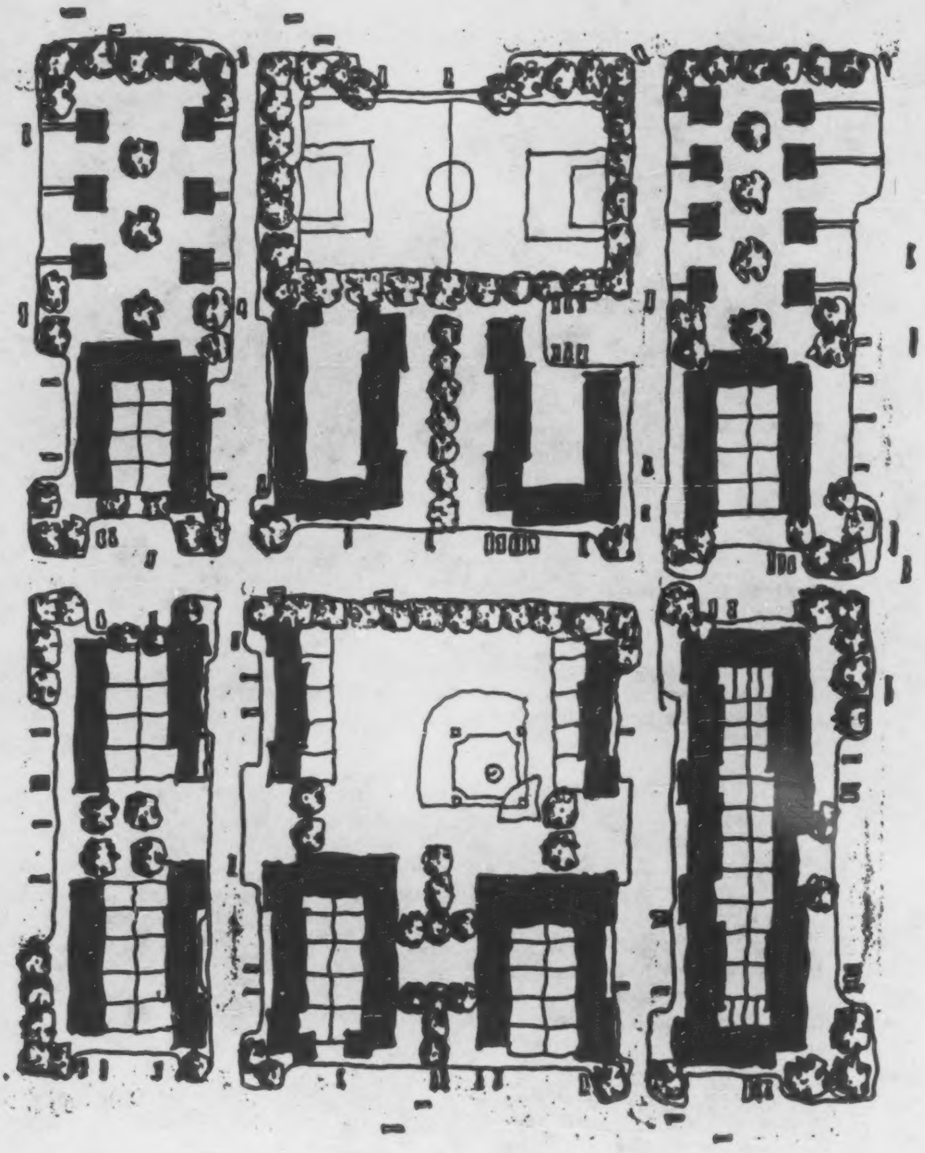
Examples of sidewalk treatments for existing configurations.



Simple building configurations.



Sample groupings for redesigned site plans.



Samples of new site configurations including recreational areas.

Preliminary drawing begins as volunteer students from the University of Texas at Arlington assist Steve Peterson and Barbara Littenberg (center).

DHA Managers Rebecca Swanson and Mary Skillings answer questions during the open forum.

CHAPTER 4.0

SUPPORT SERVICES

4.1 Financing Diversified Housing Opportunities in West Dallas

One of the major objectives identified by the Charette Team is the creation of diverse housing opportunities in the West Dallas housing development. The development of the desired housing mix requires the use of a variety of financing techniques. This section of the report identifies the housing funding needs which must be met, the resources available, strategies to be employed and implementation factors to be considered.

4.1.1 Funding Needs

The variety of housing opportunities to be provided include the following:

A. Good quality, well maintained conventional public housing for current residents and other low income families with similar housing needs.

B. Development of home ownership alternatives for tenants with the qualifications and desire for home ownership.

C. Development of a broader variety of rental housing, providing different amenities, location, etc., to the West Dallas residents. Through a variety of mechanisms, this category of rental units would offer differential features at rents significantly lower than the conventional market, but higher than the public housing rentals.

To meet these housing objectives, funding must be obtained in all cases for upgrading of existing conventional housing units to standard and maintainable condition commensurate also with the design objectives.

A. Development of home ownership alternatives

1) Costs of acquisition and rehabilitation of units to be converted or newly constructed units to be built
2) Mortgage financing for new purchasers

B. Development of diversified rental housing alternatives

1) Acquisition and rehabilitation of existing units from HUD
2) Development of newly constructed units

Alternative ownership arrangements must be utilized to accomplish the desired variety. Some units will remain under the ownership of the Authority while others might possibly be sold to private owners or jointly owned in public/private ventures. The governing factor will be the ability to create diverse housing alternatives whose economies can be demonstrated and which can serve an identified need.

4.1.2 Resources Available

A wide variety of financing resources are available to meet the identified needs. These resources are inventoried in this section and strategies for their use are explained below.

A. HUD Programs

1) CIAP -- Basic funding for the modernization of public housing units is available through HUD's Comprehensive Improvement Assistance Program (CIAP). The Authority estimates that $12 to $20 million* may be available from this year's application request to apply to the renovation of the West Dallas projects.

2) UDAG -- While Urban Development Action Grant (UDAG) funding has been suggested for commercial and industrial development in the West Dallas area, a UDAG grant to support the type of housing development desired for the project area should be pursued.

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* Subsequent to the Charette HUD announced that $18 million has been allocated to this project.

3) Other -- While greatly reduced in funding, other programs such as the Section 8 program, Section 312 Multi-family Rehabilitation Program and other options should be explored for their availability to West Dallas on a priority basis.

B. City of Dallas

The City of Dallas can support housing development in West Dallas by:

1) Assuming or assisting tenants to provide services such as street maintenance, solid waste disposal, security programs, etc.

2) Allocating a portion of the currect West Dallas UDAG payback to underwriting specific housing development costs.

3) Use of Community Development Block Grant funds.

4) Use of currently available home improvement programs in West Dallas.

C. Revenue Bond Financing

The Authority and the City of Dallas have access to a valuable housing development tool in the form of tax-exempt bond financing capability. Bond financing can provide significantly lower mortgage rates for both single and multi-family development.

The Authority's specific bond financing powers with regard to privately owned housing involve certain legal limitations which may affect the flexibility required to implement the housing programs described.

Texas law provides that municipalities may establish Housing Finance Corporations whose powers provide greater flexibility to finance both single and multi-family housing. Given the housing objectives established, the possibility of establishing the Authority as a Housing Finance Corporation should be pursued immediately.

Other tax-exempt financing mechanisms which might be utilized include tax increment financing and industrial revenue bonds for the commercial and industrial development required.

D. Private Ownership Mechanisms

Since much of the investment value of rental housing development (especially for low and moderate-income persons) lies in the tax benefits of ownership, private capital to develop the desired housing should be utilized. The use of public/private ventures and incentives available through the Authority and the City, can also encourage economically viable housing to be developed by the private sector.

E. Dallas Housing Authority Resources

The Authority has assets and resources which can be used to stimulate housing development:

1) Revenues and reserves available from operation of the Section 8 Existing Program and the ownership of Section 8 units

2) Revenues to be made available by the sale of the Washington Place housing project

3) Potential proceeds available from establishment of limited partnerships for Section 8 developments currently owned by the Authority

4) The Authority's development powers, its status as a tax-exempt borrower and property owner, and its special access to HUD programs

These assets and resources can be used effectively by the Authority to create the financing, credit, legal and administrative mechanisms required to develop below-market-rate financing.

F. Other Sources

1) EPA "Super Fund" for environmental clean-up of the project site that is contaminated by lead pollution

2) Private utility companies' assumption of service responsibilities.

3) Private/charitable sources

4) Public or quasi-public development corporation

4.1.3 Strategies For Housing Development

Given the identified objective and the funding tools available, specific strategies for the provision of diverse housing opportunities can be developed. While not comprehensive or exclusive, the following strategies are illustrative.

A. Home Ownership

1) Existing units in West Dallas can be redesigned into ownership configurations. The units can be acquired from HUD, converted and financed for purchasers with the use of single-family revenue bonds. Based on preliminary estimates, such units could be delivered at monthly housing cost levels of $250-$350. While significantly higher than typical public housing rents, it is felt that homeownership opportunities at these levels will be attractive to a number of West Dallas residents.

2) "Sweat equity" programs (Homesteading)

Numerous programs have been developed in which property is conveyed to a tenant at nominal costs under the condition that the tenant renovate the unit to standard condition and reside in it for a prescribed period. The financing resources detailed above could be used to develop this method of converting housing from rental to homeownership status.

3) Long-term leases

The objectives of the homeownership programs could be achieved by long-term leasing while providing that ultimate control be retained by the Authority.

B. Multi-family Development

The provision of upgraded, higher-amenity housing units can be accomplished by using a combination of the following devices.

1) Revenue bond financing at three percent to four percent below conventional rates.

2) Community Development Block Grant or Urban Development Action Grants.

3) Writedowns of acquisition costs, either by negotiation with HUD on purchase price of existing units or absorption of cost writedowns by the Authority.

4) Pledging of Authority assets as collateral for required borrowing or to subsidize rent levels. For example, by utilizing the interest income on a $2 million allocation of reserve funds, the monthly rent on a 200-unit development can be reduced by $1900 per month.

5) Use of syndication proceeds to underwrite housing costs. A low-income housing project typically can be sold to private owners for 20 to 25 percent of the cost of the project. This value can be used to create lower rents.

C. Credit/Financing

In order to provide the best access to mortgage funding at the lowest possible rates, the following sources should be utilized:

1) Direct placement of tax-exempt debt with local banks or other institutions.

2) Guarantees of bond financing by local banks or savings and loan associations. This involves the marketing of bonds to the public market at attractive rates.

3) FHA programs for both single-family and multi-family development.

4) Private mortgage insurance, primarily for single-family loans.

D. Results

The objective of the financing described is to create a diversity of housing opportunities. While all the proposed mechanisms are designed to serve low and moderate-income housing needs, a variety of housing types, tenures, amenities and rent levels are offered. The result is a greatly expanded range of housing choices within the West Dallas housing development.

4.1.4 Factors Impacting Implementation

A variety of factors, some within the control of the Authority and some outside its control, must be considered in establishing a specific plan of implementation for the desired housing development. Further study and information is required to decide the sequence of events required. The following principles will help to establish priorities in the redevelopment of West Dallas.

A. The most immediately available resources must be utilized to leverage additional funding.

B. Initial funding should be used to (1) demonstrate the achievement of readily recognizable improvements establishing the credibility of the master plan and (2) demonstrate that resident concerns are being dealt with assuaging doubts about the intentions of the Authority and its ability to deliver.

C. Use the first dollars to create an environment encouraging other types of housing development desired. Upgrade specific locations and housing types providing greater choice. Support activities which help to create a better economic mix. Create neighborhoods within the West Dallas housing development that are conducive to developing the next stage of upgrading.

D. Anticipate longer-range housing plans in the early stage of HUD funding. Do not limit future options by modernizing units better suited to sale or conversion.

4.2 Job Training

The following assumption concerns the pressing need for job training among West Dallas residents.

> School age residents will be exposed to career education as (1) part of their yearly education experience, (2) participants in girls/boys clubs organizations and other neighborhood programs, (3) participants in special Dallas Independent School District (DISD) career development programs, and (4) a result of their contacts with or exposure to a variety of DHA, governmental, other personnel in work situations such as management, maintenance, inspection, etc.

Recommendations

Recognizing the critical need to address an area that is the key to life-long investment, we propose that the exploration of traditional and non-traditional career opportunities be achieved by school age as well as by young and other adult residents through the introduction of a partnership arrangement among DHA, government agencies, non-profit organizations, and the private sector. The implementation of a "Shadow Program" could provide first hand information to participants about the world of work. Programs should be scheduled to enable residents to observe employees of the above groups in a variety of work settings during the day, after school, and/in the summer. Specifically, participants would be exposed to the realities of how multiple institutions impact upon their environment on a daily basis. The following examples are illustrative of career opportunities which could be included:

A. DHA: administration (i.e., planning), modernization, maintenance (painting, landscape, labor), and shops (cabinet-making, carpentry, automotive, refrigeration).

B. City agencies and/or departments: planning and development, housing and neighborhood services, health and human services, safety and community development.

C. Private sector: communications, i.e., computer, telephone, industry; construction, retail business, trades, and banking. Other high growth/high job opportunity industries.

Skills training could be addressed by utilizing on-the-job training opportunities and the development of a Jobs Center. See Appendix II for a model of a possible job training/employment program.

Three approaches should be explored for the implementation of a Jobs Center. These are: (1) a well defined apprenticeship program, (2) a more in-depth "Shadow Program" than previously described, and (3) "straight" (actual) employment.

Project Implementation

To achieve the above goal of job training, a manager should be appointed to serve as overseer of the project and to work with appropriate local agencies in conjunction with the West Dallas community groups during the development and implementation of this project.

It is important that these systems and processes have some degree of permanence and transfer value to the job marketplace. The significance of the experiential value of such a project extends beyond just a career-oriented process.

Sources of Funding

- Youth/Job Corporation
- UDAG Payback
- CETA Replacement

- Public Works Job Funds
- Summer Youth Program
- Other (Corporations, foundations, etc.)

4.3 Security

The present West Dallas housing projects have inadequate security protection. Entire areas are vacant and properties are easily entered and vandalized. The only police protection is patrol units responsible for large areas which include the entire housing development; they cannot concentrate on any one area. The residents themselves feel extremely insecure and have no crime-watch self-help procedure.

Adequate security must be developed as housing units are refurbished and occupied. The following methods are recommended:

A. Physical Aspects: dead-bolt locks, door peepholes, mail slots and secure screens are necessary. Shrubbery must be kept trimmed. Carports and/or parking spaces within sight of residences should be provided where practical.

B. The Dallas Police Department does not have the personnel to assign adequate patrols to the housing development. The City Council, Mayor and Police chief should be strongly urged to provide additional coverage as soon as possible.

C. A Dallas Housing Authority or City of Dallas security force should be provided for the West Dallas housing development as soon as possible to prevent further vandalism and provide the overall security needed there. The patrol personnel must be well trained, paid adequate wages, and administered by a fully qualified supervisor, possibly an on-loan Dallas Police Officer. (See Appendix I)

D. Patrols should operate both in cars and on foot. A central station can also serve as an area Dallas Police Sub-station and "storefront" where residents can meet the officers. The Dallas Police can station an officer at this location for limited periods.

E. Residents should be organized into block-watch groups for crime-watch purposes with a captain leading a four-building "watch" and assistants in charge of each building. Police/patrol personnel should assist in training residents in crime-watch tactics and perform close liaison with the groups. (See Appendix I). Provide plan diagrams for a description of a block.

F. Police/patrol personnel should assist families to mark their TV sets and other valuables. They should also assist with boy/girl scout groups and explorer scouts, and in police sponsored athletic leagues.

Families should be encouraged to take pride in their homes. Planting shrubs and gardens, and even joining area garden clubs, is another means towards this end. Thus a sense of pride in family, home and community, together with the above-listed steps, will build much more secure neighborhoods throughout the housing development.

4.4 Commercial Service and Business

DHA should create or encourage a variety of rent-paying commercial and service enterprises within the housing development. Examples of services needed within each neighborhood, possibly located in apartment buildings are

A. Laundries;
B. Small food stores to replace food trucks now in use; and
C. Tool rental business that will include the rental of garden tools.

Some of these businesses could be owned and operated by the tenants. Other types of business which should be created in two or three locations within the neighborhoods are the "do-it-yourself" auto repair and car wash centers, probably in new, free standing buildings with fenced enclosures for security. Residents could work on their cars in these centers, renting tools and storing their cars while repairs are being made. This solution should help reduce auto repairs on lawns and in parking lots.

The Authority should also assist the development of a "town center" which would be strategically located within the housing development to serve all of West Dallas. This should contain a mix of rent paying and nonpaying community services tenants in new buildings including:

A. Bank;
B. Service agency offices;
C. Cafe or restaurant;
D. Ice cream parlour;
E. Hardware store, possibly operator of the tool rental service in the apartment buildings;
F. Cleaning and laundry shop; and
G. Food and produce market.

DHA should also create a small business/job center (see Job Training, Chapter 4.2) that is situated so that it provides major thoroughfare access. The Authority may lease land to the jobs center development, who would build and manage warehouses or lease to labor-intensive small businesses such as:

A. Carpentry or cabinet shop;
B. Furniture maker;
C. Automotive repair business;
D. Metal working shop;
E. Construction contractor or sub-contractor;
F. Paint shop;
G. Appliance repair services; and
H. Electronics shop.

The jobs center should be well landscaped, screened, lighted, and properly secured. Its role would be to generate income that would allow the DHA to achieve its housing goals, while providing employment, job training and business management models.

4.5 Community Enterprise Concept

Introduce a limited enterprise concept in which community based organizations and/or service organizations are assessed nominal space utilization fees for localized community operations. This allows for a portion of those fees to return directly to the resident councils for:

A. Pre-occupancy training (i.e., maintenance of "Demonstration Units" with explanatory literature and reproduction and distribution capability).

B. Child care support activities (i.e., educational toys, playground equipment, supplies).

C. Environmental hygiene incidentals (i.e., light trash pick-up, mowing services).

D. Special transportation subsidies (i.e., emergency and recreational needs for the elderly).

4.6 Cultural

This portion of the proposal envisions the initiation of several inter-arts grant applications to the City of Dallas/State of Texas Arts Commissions by established arts organizations (performing, visual, literary and non-profit volunteer groups). The purpose of this provision is to focus appropriate attention upon the cultural development needs of youth, elderly and the handicapped. Significant emphasis would be placed upon providing youth with job skills which would enable them to participate in cultural development activities. Additional emphasis would be placed upon an increased awareness of their heritage through the incorporated arts media.

The physical design change concepts should accommodate the appropriate settings to house small to medium on-site arts programs for extended periods as interest and/or participation levels dictate.

DHA Executive Director Jack Herrington observes the working sessions.

Bob Lima presents the report as Chairman Luther Holcomb looks on.

CHAPTER 5.0

ENVIRONMENTAL QUALITY

Urban concentrations, as exemplified by the over 3,300 housing units in West Dallas, can intensify the deficiencies of housing. The deficiencies, in turn, magnify crowding, noise, insect and rodent populations, air pollution and street litter. These factors combine to bring about detrimental conditions that also are threats to our health and well-being.

Residents of the West Dallas housing project, since its inception in 1954, have suffered various environmental insults. Principle among these are lead emissions from the RSR Smelter located across Singleton Boulevard. Others include automobile emissions, which as a lead pollution source peaked in the 1970's as a result of the removal of lead additives from gasoline, and the effect of lead residues on the clothing worn home by RSR workers. Other environmental insults have included coal tar pitch fumes from the GAF plant off Singleton Boulevard and Manila Street, and mica emissions from what is now the Grace Construction Building Materials facility off Manila at the railroad track south of Singleton Boulevard. Another possible source, although of unknown significance given the mitigating circumstances associated with waste removal and soil replacement which figured in their conversion, were the numerous open dumps located throughout the housing project area prior to its construction. Principle among these was an open dump adjacent to Fishtrap Road where the lagoon is now located.

While vehicular emissions and contamination from clothing residues have abated (the latter as a result of strict OSHA in-plant industrial hygiene measures) and both the GAF and Grace facility emissions appear to have been arrested, the lead emissions from the RSR plant have continued and were out of compliance as recently as April-June, 1982. Fugitive lead emissions from RSR continue to account for exceedingly high levels of lead in the surrounding area, principally on-site and extending northword in the direction of the prevailing winds. Soil samples, collected by EPA on-site and off-site, contained lead in excess of 3,000 parts per million (ppm), 2,500 ppm at the property line, and returned to background levels of approximately 25 to 75 ppm at a distance one mile north of the plant.

5.1 Lead Smelter

Lead pollution from the RSR lead smelter at the corner of Singleton and Westmoreland presents a serious environmental hazard to the residents of George Loving Place. (See Figure 1). The hazard is particularly great for children, whose blood-brain barrier is not well developed, leaving them more susceptible than adults. Also, the chief sources of contamination are ingestion and inhalation, both of which are more likely in children. The contaminate from RSR has concentrated in the ground; and children at play inhale dust or may ingest dust from play objects or dropped food. The level of contamination in the soil in George Loving Place ranges from 2500 ppm to less than 300 ppm. Many medical authorities consider 300 ppm to be a threshold for toxicity, and EPA considers 1000 ppm an action level requiring further investigation. The Dallas Housing Authority is offering relocation assistance to residents who voluntarily relocate from dangerously contaminated areas. It should be the continued goal of the Authority to empty and not utilize the affected units until the source of the contamination is eliminated, and the toxicity of the soil is removed. The Board of Commissioners has authorized the Dallas Housing Authority to file suit against RSR to seek to close the plant, for cleanup and for reimbursement for damages suffered.

RSR Corporation, through its subsidiary Murph Metals, has continuously engaged in the secondary lead industry at the Dallas plant since 1971, but the site has served as a lead processing facility since 1934. RSR is currently under a court order to sell its West Dallas facility as a result of an FTC anti-monopoly ruling. Although the sale of the facility was to take place prior to November, 1982, the matter is still pending.

Estimated costs to remove and replace contaminated soils as a result of RSR emissions range between $15 million to $35 million, depending on the source and the levels of contamination to be addressed. A decision on the latter may result from the pending DHA lawsuit or from the lawsuit filed by the Texas Attorney General on April 13, 1983, against RSR and joined by the City of Dallas on April 14, 1983.

The pending DHA and present lawsuit by the Texas Attorney General against RSR are not likely to be settled for several years. Until this issue is resolved, it is not possible to plan for new development or to rehabilitate existing housing in the areas of serious contamination.

The RSR smelter is perceived as a major problem to the health and welfare of Dallas citizens, and an obstacle to the continued development of West Dallas. Already, the plant emissions have forced the relocations and reduced the effectiveness of two important service organization (Boys' Club and Day Care Center). If the heavily contaminated soil around the Boys' Club and in the George Loving project area is removed and the environmental hazards are satisfactorily eliminated, these areas should be continued in their present uses. As an alternative under a less acceptable resolution of the problems, consideration should be given to redevelopment of this area, perhaps as small business sites or for locating a job center or other facility that can also serve to buffer traffic noise along Singleton Boulevard and Westmoreland Road.

5.2 Flood Plain

The present central green space in the West Dallas projects is largely flood plain. The City of Dallas is planning a drainage project that would remove the flood potential in the area. Funds for the design phase of this project have been authorized. It is recommended that

A. the design of this drainage project be compatible with the plans presented in this report; and

B. this project be given the highest possible priority for design, engineering and construction by the City of Dallas.

5.3 Sanitation

The Authority has a continuing program of vector control which is undergoing improvements. Larger refuse dumpsters have been ordered for use in the project area and concrete pads are being constructed to enhance services. Their emplacement should be done in a manner compatible with the plans presented in this report. Also, in accordance with the report of the Task Force on Public Housing, the City of Dallas should waive all trash collection fees and dump fees for the Dallas Housing Authority.

Earl Cullum discusses security-related issues as the other Charette Team members listen.

West Dallas advocate Rev. L. D. Burrell asks questions during the presentation of the final report.

CHAPTER 6.0

CONCLUSION

The West Dallas Design Charette has established a framework for action in the West Dallas housing development. The Design Team anticipates that this study will be useful in addressing important issues related to public housing, community and economic development. Being sensitive to the concerns of the existing community and the greater Dallas area, the framework herein attempts to provide a means to develop a balance between private and public sector interests as they impact, and are affected by, the West Dallas housing development.

Finally, this document and the associated graphic sketches provide a set of concepts which can be considered for comprehensive planning in West Dallas that are based upon achievable expectations.

ACKNOWLEDGEMENTS

We would like to acknowledge the magnificent support of the staff of the Dallas Housing Authority throughout the entire Charette. In particular, Executive Director Jack Herrington, David Morton, Mike Clark, Rory O'Malley, Charles Dabney, Sam Stigall and Wayne Rosenkrans made major contributions to the success of this project. The firm of Thomas and Booziotos, in particular Regina Nobles, contributed significantly toward program planning. Also extremely helplful were Renee Perkins and Larry Tate of the City of Dallas and the students and faculty from the University of Texas at Arlington School of Architecture who provided valuable input and assistance. We are also most appreciative of the time taken by various members of the community to give us their views about the West Dallas housing area. These include the following: Councilman Paul Fielding, Councilman Jim Hart, West Dallas Advisory Council members Rev. W. L. Burrell, J. R. Edmunds, Carolyn Geiger, and Mattie Lee Nash; Captain Price and Sgt. Steele of the Dallas Police Department; Joe May, Carlila Vogel, Hanna Marsh, Dallas Jackson; from the Resident Councils of the West Dallas housing development Pauline Carey, Carrie Seaton, Helen Myers and Tillie Baylor; and participants in the introductory panel discussion. We also wish to express our appreciation to Dean Dekker, Martti Benson and Helen Wright for their assistance in preparing the preliminary information that was provided to the Charette Team. Finally, we would like to acknowledge the residents who permitted us to visit their homes and walk their neighborhoods.

APPENDIX I

SECURITY MAPS

APPENDIX II

MODEL FOR JOB TRAINING/ EMPLOYMENT PROGRAM

APPENDIX III

RECOMMENDED SEQUENCE OF EVENTS FOR IMPLEMENTATION

RECOMMENDED
SEQUENCE OF EVENTS
FOR IMPLEMENTATION

Phase 1 **Finalize the Revitalization Plan**

- Meetings with residents and West Dallas community leaders
- Establish role, commitment of City of Dallas
- Complete further architectural, design, financing and market studies
- Identify financing sources, pursue funding

Phase 2 **First Phase Improvements**

- CIAP improvements - exterior and interior:
  - Continued relocation of lead-impact residents
  - Priority on occupied units:
- Street improvements in rental areas
- Modernization/rehab of vacant units in immediately adjacent areas

Phase 3 **Homeownership Program**

- Designate homeowner neighborhood
- Set up neighborhood identity, buffer elements
- Develop marketing program
- Design a legal/land ownership control mechanism to oversee resale concerns
- Establish mortgage sources and homeowner rehab fund:
  - DHA as source of leverage funds
  - Conventional - guarantee, subsidy
  - Mortgage revenue bonds
  - City homeowner rehab program
- Begin pilot street, improvement landscape program
- Set up land lease/land sale experiment for move-in, prefab single family homes

Phase 4 **Market Rate Units**

- Identify target units for private sale
- Structure a legal sales contract to ensure long-term maintenance of units at affordable cost
- Prepare architectural, landscape concepts for private development consistency
- Structure joint-venture mechanisms for DHA private development:
  - Establish funding sources
  - Set up alternate management mechanisms
  - Sell off pilot units
  - Develop infrastructure

Phase 5 **Commercial - Town Center Development**

- Prepare design/development plans - mix of use
- Construct infrastructure improvements: streets, flood control, bus routes
- Set up development mechanism (new, existing)
- Establish funding sources
- Identify business entities
- Determine public functions - policy, social service, post office, other

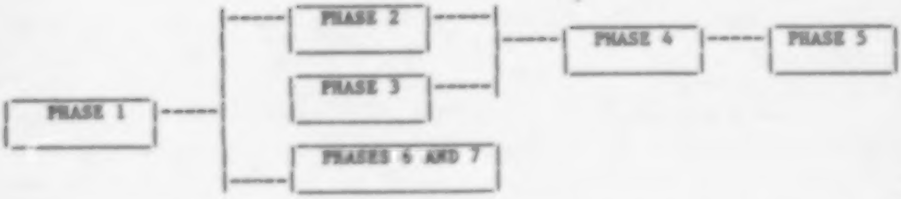
Phase 6 **Social Service Program Implementation**

- Training
- Resident participation
- Security
- Cultural

Phase 7 **Environmental Maintenance**

- Air/soil lead pollution
- Trash

IMPLEMENTATION SCHEDULE
FOR
SEQUENCE OF EVENTS



APPENDIX IV
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CHARETTE TEAM

URBAN DESIGN CHARETTE
TEAM MEMBERS

TEAM MEMBERS

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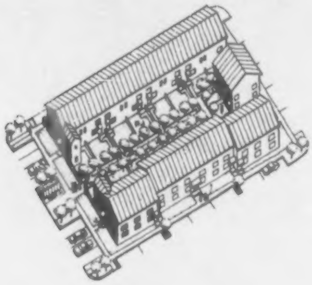
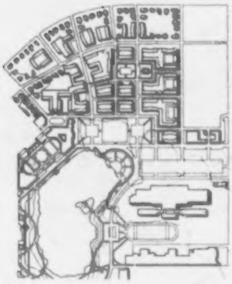
EXHIBIT D





Lake West
Master Plan

A REBUILDING OF THE WEST DALLAS HOUSING PROJECTS

A Report Prepared for the Dallas Housing Authority by

Peterson, Littenberg Architects
Real Estate Research Corporation
Carter & Burgess, Incorporated
Selzer Associates / Selzer - Volk - Borne

CARTER & BURGESS, INC. ENGINEERS • PLANNERS
8625 KING GEORGE DRIVE / SUITE 460 / DALLAS, TX 75235 / (214) 638-6226

March 23, 1984

Mr. Jack Herrington
Executive Director
Dallas Housing Authority
2525 Lucas Drive
Dallas, Texas 75219

Reference: Master Plan Report, A Rebuilding of the West Dallas Housing Projects

Dear Mr. Herrington,

It is with a great deal of pride that we are transmitting to you the Master Plan Report; A Rebuilding of the West Dallas Projects. As indicated by the report, the West Dallas projects contain one of the largest land areas of public housing in the United States. Its size, number of housing units, extent of public facilities and potential population represent that of a fair sized city.

Triggered by the concepts developed by the West Dallas Design Charette held in July 1983, the team has prepared a redevelopment plan that can result in a total community which enstates a healthy neighborhood with a positive self image. The concepts will require imagination and new thinking for implementing the rebuilding process. The ideas contained in the following plans are exciting, realistic and attainable. The final product will provide a quality of life and opportunities not found here to fore in public housing. With the proposed plan, the Dallas Housing Authority will be developing a new community that will give pride and dignity to its residents and to the great City of Dallas as a whole.

We anxiously await your response and we stand ready to help in any way to assist in the rebuilding of the West Dallas housing projects.

Yours very truly,

John H. Mason, Vice President
Carter & Burgess, Inc.

For: Peterson, Littenberg Architects
Real Estate Research Corp.
Selzer Associates: Selzer/Volk/Borne

JHM:dla

C&B No. 8366301

A PLAN FOR THE REBUILDING OF THE WEST DALLAS HOUSING PROJECTS

Prepared for

THE DALLAS HOUSING AUTHORITY

Prepared by

CARTER & BURGESS, INC.
PETERSON LITTENBERG ARCHITECTS
REAL ESTATE RESEARCH CORPORATION
SELZER ASSOCIATES/SELZER-VOLK-BORNE

The Dallas Housing Authority
wishes to express its appreciation
to the following organizations whose generous grants
have made possible the development of this
Master Plan and Report

THE MEADOWS FOUNDATION, INC.
THE HAGGAR FOUNDATION

Contributions to this effort from the following
Dallas corporations are gratefully acknowledged

TEXAS OIL AND GAS CORPORATION
CHEMCENTRAL/DALLAS
GIFFORD-HILL COMPANIES

The continuing financial support of the
Mayor and Members of the City Council of Dallas
and the citizen members of the
Community Development Advisory Committee
for the modernization efforts of the Dallas
Housing Authority and the development of this
Master Plan is acknowledged

Development of the Final Phase of the Master Plan
has been partially funded by a grant from
HAWN FOUNDATION INC.

A challenge grant to encourage additional
contributions has been offered by
THE DALLAS FOUNDATION

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HISTORY AND SUMMARY

I. INTRODUCTION

In West Dallas public housing, there is an urgent need to reverse 30 years of wear, deterioration, vandalism, poor maintenance and inadequate funding. Overall housing conditions and some 1,200 vacant, uninhabitable units have a negative impact on surrounding neighborhoods, business, industry and the city as a whole.

Unlike other neighborhoods which consist of a broad range of land uses and are generally tax-producing areas, this West Dallas community contains 550 acres of a single type of housing and does not produce ad valorem tax revenue. Today there is an opportunity to invest millions of dollars to modernize a total of 3,500 apartments, as well as a need to assure that improvements will be enduring. Historically, architectural modernization alone does not significantly change a community's total image, social attitudes or ability to attain upward mobility of family living standards. Thus, a new approach to the problem is vital--one that will improve quality of housing encourage upward mobility, increase employment opportunities, introduce the total urban fabric found in most communities, increase security and reverse a negative community self-image. Through these resources, the West Dallas community can become economically healthy and less dependent upon government support.

The Dallas Housing Authority has taken the first steps toward a creative solution for the special problems of public housing in West Dallas. To avoid the failures of the Target Projects Program of the 1970s, the DHA administration has involved qualified urban specialists and community leaders to produce a master plan for rebuilding the community. The preliminary plan and report which follow outline innovative design and development concepts for this effort.

II. HISTORY

In 1950, the Dallas Housing Authority acquired approximately one square mile of former river bottom land, cleared 800 buildings and in 1954 completed construction of 3,500 row-house style family apartments in three public housing projects. West Dallas became the site of America's largest concentration of low-rise public housing units.

The apartments were maintained in good condition until the late 1960s when decreasing funds, poor management and tenant abuse began to cause serious deterioration. The first administration of the Dallas Housing Authority, which had overseen operations since 1937, did not seek federal modernization funds.

In 1975, the Board of Commissioners and the administration were changed. The agency then applied for federal funds to upgrade the aging West Dallas housing projects under the Target Projects Program. The DHA received a grant of $10 million for physical improvements and $3 million for management improvements. However, there was an unrealistic attempt to accomplish physical improvements beyond the scope of available funds, and combined with management problems, this resulted in very limited visible or lasting physical improvements.

Under these circumstances, a new administration was established for the Dallas Housing Authority in 1979. The administration immediately solicited full cooperation and financial assistance from HUD and the City of Dallas to deal with the massive problems of the Authority's housing developments in West Dallas and other parts of the city.

Special efforts were made to obtain assistance from HUD in funding modernization work and from the City of Dallas in assessing the physical needs of the Authority's properties.

Modernization funding was received from HUD for several housing projects outside of West Dallas between 1979 and 1982. The first of these, Roseland Homes, was completed successfully in 1983. The second modernization project, Frazier Courts, is virtually complete. Modernization of additional, smaller projects is underway.

III. NEEDS ASSESSMENT

Dallas City Council has responded positively to the Dallas Housing Authority requests and hired Millkey & Brown Associates, an architectural firm, to perform a comprehensive physical needs assessment of the overall condition of all DHA housing projects.

The needs assessment was completed in early 1981. It estimated that $117 million would be required to make all repairs needed to restore all DHA projects to an acceptable standard. (See Technical Supplement, Summary of Comprehensive Needs Assessment)

IV. TASK FORCE ON PUBLIC HOUSING

In August of 1982, Dallas City Council appointed a task force of 50 respected business and community leaders to examine the general condition and problems of the Dallas Housing Authority for five months. The Task Force On Public Housing made its final report to the City Council in February of 1983. It concluded that West Dallas deserved high priority on the Authority's list of problems because of its negative impact on overall operations.

Task Force members recommended that the DHA continue to serve as the City's principal provider of low-income housing and do everything possible to eliminate deplorable housing conditions. They urged the Authority to produce a bold new plan for the revitalization of West Dallas with ownership incentives and private sector participation --drawing upon its experience in successful public housing modernization.

V. WEST DALLAS DESIGN CHARETTE

In July of 1983, the Dallas Chapter of the American Institute of Architects, the Institute of Urban Studies at the University of Texas at Arlington and the Dallas Housing Authority co-sponsored a three-day West Dallas Design Charette to explore specific issues. The Charette team included 15 nationally prominent specialists from the fields of architecture, urban design, engineering, planning, business, government, environmental health, security, psychology and social work.

The participants began their assignment by reviewing extensive preliminary data about the history, physical characteristics, environmental health, economics and security in the West Dallas projects. They inspected the apartments and other buildings, interviewed residents and met with leaders from adjoining neighborhoods. After intensive analysis and discussion sessions, the Charette team presented the following recommendations for rebuilding a viable community in the West Dallas projects:

- Change the exterior appearance of buildings and grounds.
- Break the three projects into smaller, more definable areas.
- Create a mixture of housing for different income groups.
- Allow residents to personalize units.
- Change the street pattern to create more parking, give each resident a street address and provide more connection with surrounding areas of the City.
- Establish a "town center" to serve shopping, civic and social support needs of the West Dallas community.
- Solve security problems through increased police patrols, security hardware and neighborhood watch efforts.

VI. FEDERAL MODERNIZATION FUNDING

Since the report was issued, the Authority has been notified that the U.S. Department of Housing and Urban Development (HUD) will allocate more than $18 million under the Comprehensive Improvement Assistance Program (CIAP) for modernization activities in Elmer Scott Place and Edgar Ward Place. The DHA had applied for a total of $54 million for the three housing projects, but approval of funding for George Loving Place has been delayed pending satisfactory resolution of the lead contamination issue.

The Housing Authority submitted an application in January 1984 to HUD for the 1984 cycle of the Comprehensive Improvement The application is for $38.5 million assistance for modernization activities in the West Dallas housing projects. Allocation of this funding will be determined by HUD in Spring of 1984.

VII. THE WEST DALLAS DESIGN TEAM

On September 22, 1983, the DHA Board of Commissioners authorized execution of a contract for development of a master plan to rebuild the West Dallas housing projects with Carter & Burgess, Inc., Peterson Littenberg Architects, Real Estate Research Corporation and Selzer Associates/Selzer-Volk-Borne. Carter & Burgess, Inc. joined the three West Dallas Design Charette participants to form the West Dallas Design Team. Work began immediately to expand and refine the Charette recommendations.

Given a limited time frame to complete a master plan and implementation schedule, the team required a unique approach. Traditionally all research and analysis is completed before beginning the design process. With the Charette recommendations accepted as a basic premise, however, all team members began their tasks simultaneously. Market surveys and analyses were conducted while physical condition assessments were made. City departments and agencies were consulted and area residents were surveyed for suggestions and recommendations. As data collection progressed, Peterson Littenberg Architects continued developing design concepts outlined in the West Dallas Design Charette report. Dallas Housing Authority administrators and staff served as a part of this team, to provide expertise and background information.

As a result of this concentrated work, market analyses and design concepts were developed independently. The Dallas Housing Authority's commitment to bold, creative alternatives allowed the Design Team to develop an innovative, dynamic solution. The Team was limited only by the existing physical layout of the area's public housing.

While many of the design and marketing concepts presented in this report are unusual for public housing, each responds directly to the existing conditions in West Dallas. Existing road patterns and building configurations have been utilized and expanded. The concept capitalizes on existing amenities such as Fishtrap Lake and the vast expanses of open space while drastic steps are proposed to alleviate blighted living conditions. It is a plan for taking the projects as they exist today and transforming them into a new West Dallas community.

VIII. WORK PROGRAM AND IMPLEMENTATION STRATEGY

The work program for the development of a Master Plan has been divided into two phases. The first phase, documented in this report, contains a feasibility analysis of the market and administrative requirements necessary to implement the plan, a conceptual plan for redevelopment, a preliminary engineering assessment and a preliminary cost estimate. This report presents the professional opinions from each discipline represented on the West Dallas Design Team: financial and market evaluation, architectural design, planning and engineering.

The second phase of this report will refine the physical plan to specific details of type, location, size and shape of land uses. Prototype designs for individual sites and building types also will be prepared for model unit construction. During this phase of plan preparation, specific engineering analysis will be performed for preliminary design of infrastructure, drainage and transportation systems and for estimating their associated costs.

Development strategies and management objectives outlined in Phase I will be tested to insure the appropriateness of these recommendations. Additionally, legal and administrative review of the fiscal and management strategies will be conducted in terms of existing local, state and federal codes, ordinances, law and policies.

The Dallas Housing Authority will use the Master Plan and associated data to make the best investment of federal modernization funds. Modernization concepts will be tested in two or three model locations to encourage public comment during the summer of 1984. When site plans reach the working drawing stage, apartment renovation will begin and private sector investment will be pursued.

CIAP funds from HUD will pay for the largest share of the modernization needs under the evolving master plan. Implementation of the plan will rely on innovative approaches to the total problem; approaches which will require unprecedented forms of federal and local support.

The DHA will ask HUD to approve a unified plan for all three projects. Waivers of policy, administrative flexibility and legislative revisions for redeveloping public housing will be required from HUD to make West Dallas an historic example of successful partnership between government agencies and concerned citizens.

IX. CALENDAR OF EVENTS FOR THE REBUILDING OF THE WEST DALLAS HOUSING PROJECTS

During the preparation of this report, a number of reviews, design sessions and informational meetings were held to insure maximum input by all possible participants in the design process. The following calendar of events charts the progress of the design process and indicates the broad range of input provided to the design team.

July 14 - 17	West Dallas Design Charette.
21	Jack Herrington meets with Carter & Burgess, Inc. to discuss continuation of Charette work.
August 2	West Dallas Design Team forms: Carter & Burgess, Inc. Peterson, Littenberg, Architects Real Estate Research Corporation Selzer Associates/Selzer-Volk-Borne
August - September	West Dallas Design Team presents proposal to DHA and begins research.
September 22	DHA Board of Commissioners authorizes contract with the West Dallas Design Team.
September 29	DHA and the West Dallas Design Team organize surveys.
October 3	DHA signs contract with the West Dallas Design Team.
7	DHA holds press conference to announce master plan to be completed by the West Dallas Design Team and funding by the Meadows Foundation.
21	State Department of Agriculture meets with Jack Herrington, RERC, Linda Anderson and Renee Perkins to discuss West Dallas Farmers Market.
24-26	West Dallas Design Team meets to review work completed to date and discuss design process.
24	West Dallas Advisory Committee meets with the West Dallas Design Team to discuss objectives of Master Plan.
25	Jim Wood, Assistant Director of Human Services, Department of Health and Recreation Services, meets with the West Dallas Design Team to review plans for the new Community Center.

November 4	Carolyn Geiger and Urban Environment Associates review survey format with the West Dallas Design Team.
7	Rev. D. L. Burrell and J. R. Edmunds meet with the West Dallas Design Team to make suggestions and provide information.
8	City of Dallas, Department of Parks and Recreation, provides site information to the West Dallas Design Team.
15	Urban Environment Associates meet with West Dallas Advisory Committee members to seek assistance with resident survey.
17 - 18	West Dallas Design Team meets to review work completed to date and exchange information.
17	Bobby Kennedy, Folsom Commercial Development Company, meets with the West Dallas Design Team to review Town Center concept.
18	Resident Council members of George Loving Place, Edgar Ward Place and Elmer Scott Place meet with the West Dallas Design Team to review residential design concepts.
18	Linda Anderson meets with the West Dallas Design Team to discuss Farmers Market and Food Bank for West Dallas.
18	Jim Reid, Assistant City Manager, meets with the West Dallas Design Team to review Town Center concept.
18	Urban Environment Associates prepares resident survey for distribution.
21	West Dallas Advisory Committee meets with the West Dallas Design Team to review work completed to date and provide suggestions.
21	Carolyn Geiger of Urbvan Environment Associates distributes resident surveys to West Dallas Advisory Committee members.

December 12 - 16	Urban Environment Associates collects resident surveys.
12	Cherryl Peterman, Chief Plan Examiner, City of Dallas Building Inspection Department, meets with the West Dallas Design Team to review the proposed master plan and make suggestions.
13	Chief Robert Melton and Chief Milton Washington, Dallas Fire Department, meet with the West Dallas Design Team to review design concepts and make suggestions.
13	Tom Anderson, City of Dallas Department of Parks and Recreation, meets with the West Dallas Design Team to discuss Parks and Recreation in West Dallas.
14	Special Purpose Housing Resident Council meets with the West Dallas Design Team to review design concepts and make suggestions.
14	Elmer Scott Place Resident Council meets with the West Dallas Design Team to review design concepts and make suggestions.
14	Dorothy McCloudy, Morris Street Center, Child Care Dallas, meets with the West Dallas Design Team to discuss child care requirements and possible implementation within the proposed master plan.
14 - 16	Urban Environment Associates tabulates and summarizes resident surveys.
15 - 16	West Dallas Design Team meets to review work completed to date and exchange information.
15	George Loving Place Resident Council meets with the West Dallas Design Team to review design concepts and make suggestions.
16	John Vlcek, Assistant Director of Marketing, State Department of Agriculture; John Fullinwider, Common Ground Community Economic Development Corporation; and Linda Anderson meet with the West Dallas Design Team to review design concepts, discuss Farmers Market concept and make suggestions.
16	Bobby Kennedy, Folsom Commercial Development Company, meets with the West Dallas Design Team to review Town Center concept and make suggestions.

December 16	Edgar Ward Place Resident Council meets with the West Dallas Design Team to review design concepts and make suggestions.
27	Dallas Housing Authority Board of Commissioners meets with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
28	Urban Environment Associates reports resident survey results and analysis to the West Dallas Design Team.
January 3	Starke Taylor, Mayor of Dallas; Charles Anderson, City Manager; Jim Reid, Assistant City Manager; Robert McElearney, Director of Housing and Neighborhood Services; the DHA Board of Commissioners and Jack Herrington, meet with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
5	Roland Freeman, Finance Subcommittee Chairperson of the Mayor's Task Force on Public Housing; Harry Tanner, Community and Social Services Committee Chairperson of the Mayor's Task Force on Public Housing; Bernice Johnson, member of Mayor's Task Force and Paul Fielding, Councilman, meet with the West Dallas Design Team and the Dallas Housing Authority to review the proposed Master Plan and Implementation Strategy.
January 6	Mattie Lee Nash, West Dallas Advisory Committee member and Councilman Paul Fielding, meet with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategies.
6	Chief John Driscoll, Sgt. Herbert Steele and Corporal James Pierce, Dallas Police Department, meet with the West Dallas Design Team to review the proposed Master Plan.
11	George Loving Place Resident Council President Tillie Baylor and Vice President Rev. Kenneth Hogg; Edgar Ward Place Resident Council Vice President Helen Myers and Treasurer Ila Moore; Special Purpose Housing Resident Council President Pauline Garey and Vice President James Williams; and Steve Washington of the West Dallas Community Centers meet with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
11	State Representative Steve Wolens meets with the West Dallas Design Team to review the proposed Master Plan and Implementation strategy.

January 12	Elmer Scott Place Resident Council President Carrie Seaton and Treasurer Annie Sledge meet with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
13	John Weed, Dennis Bell and Mamie Ewing of the Texas Department of Human Resources meet with the West Dallas Design Team to review the proposed Master Plan and Town Center concepts.
16	DHA Departmental Directors meet with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
18	Congressman Martin Frost meets with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
January 18	Mayor's Task Force/Committee on Public Housing, Committee on South Dallas and Steering Committee, meet with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.
25	Congressman Steve Bartlett, meets with the West Dallas Design Team to review the proposed Master Plan and Implementation Strategy.

Existing Conditions

I. DEMOGRAPHIC DATA

WEST DALLAS HOUSING PROJECTS

A. INCOME

$ 5,000 - Less	73%
$ 5,000 - 10,000	21%
$10,000 - 20,000	6%

B. AGE

0-13 years	41%
14-20	21%
*21-60	33%
*61 +	5%

*Elderly, Handicapped, Disabled = 19% of the 21 years old and older group

C. RACE

Black	91%
Oriental	5%
Hispanic	2%
White	2%

D. FEDERAL AID ASSISTANCE

Aid to Families with Dependent Children	42.00%
Social Security	17.00%
Aid to the Blind	.13%
Old Age Assistance	.50%
Partially Disabled	1.80%
Other Assistance	6.00%

E. SUMMARY

The above demographic data indicates that the majority of the residents of the West Dallas housing projects earn $5,000 or less each year. Sixty-nine percent of the overall population is 20 years of age or younger and of those 21 years of age and older, one-fifth are elderly, handicapped or disabled. All of these factors substantiate the high percentage of individuals living in the projects who receive some form of federal assistance. Over half of the residents are dependent on government assistance.

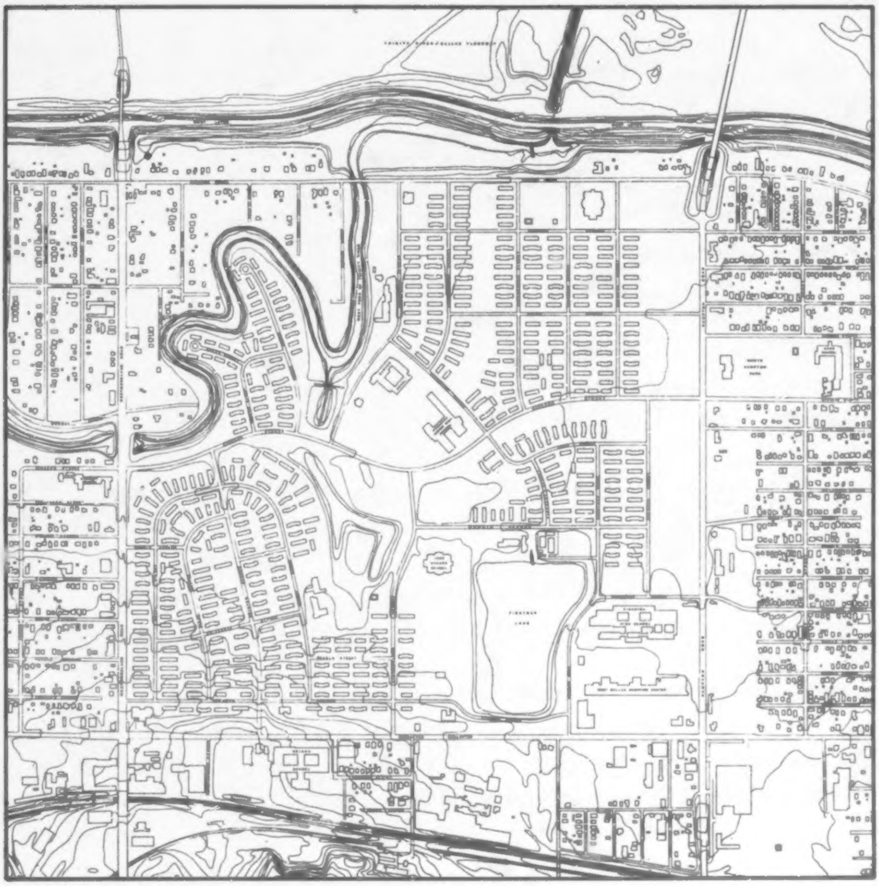
II. SITE DESCRIPTION

Located approximately 3½ miles west of the Dallas Central Business District, the West Dallas housing projects are bounded by Westmoreland Road to the west, Canada Drive to the north, Hampton Road to the east and Singleton Boulevard to the south. This one mile square area contains approximately 3,500 apartments. The West Dallas projects are divided into three separate projects known as George Loving Place, Edgar Ward Place and Elmer Scott Place.

A. George Loving Place comprises 213 buildings with 1,474 apartments. The site is bordered on the north by Edgar Ward Place and on the east by Elmer Scott Place. It is bordered on the south by Singleton Boulevard and on the west by Westmoreland Road. Pointer Street and Kingbridge Street serve as southern entrances and flow into Singleton Boulevard. Toronto Street and Morris Avenue serve as western entrances and flow into Westmoreland Road.

B. Edgar Ward Place comprises 222 buildings with 1,429 apartments. The site is bordered on the southwest by George Loving Place and Greenleaf Street and on the south by Elmer Scott Place and Bickers Street. Six project streets serve as southern entrances and flow into Bickers Street. Kingbridge and Holystone Streets serve as southwestern entrances and flow into Greenleaf Street. Canada Drive forms the northern border of the site and has six project road intersections.

C. Elmer Scott Place comprises 70 buildings with 455 apartments. The site is bordered on the north by Edgar Ward Place and Bickers Street and on the west by George Loving Place and Kingbridge Street. Greenleaf and Goldman Streets serve as northern entrances and flow into Bickers Street. Morris Avenue serves as the western entrance and flows into Kingbridge Street. Goldman Street forms the eastern border of the site.


FISHTRAP LAKE
PINKSTON HIGH SCHOOL
WEST DALLAS SHOPPING CENTER
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EXISTING SITE PLAN

A REBUILDING OF THE WEST DALLAS HOUSING PROJECTS

A Report Prepared for the Dallas Housing Authority by

Peterson, Littenberg Architects   Real Estate Research Corporation
Carter & Burgess, Incorporated   Selzer Associates / Selzer - Volk - Borne

III. PHYSICAL CONDITION AND DESIGN

The three projects are contiguous and generally regarded as a single entity. Together, they constitute the greatest concentration of low-rise family public housing for families in the United States. With nearly 3,500 apartments, they contain about one-half of the DHA's total housing units. The physical conditions range from a few dozen fair units to more than 1,000 uninhabitable units. Few roofs have been replaced since the buildings were constructed in 1952. The electrical system, including mains, has deteriorated. The gas system is being replaced on an emergency basis because of its safety hazards.

The design of the West Dallas public housing contributes to its problems. The internal street system is incomplete and fails to provide total circulation. It does not connect well with the surrounding community and contributes to the isolation of the projects. The building placement is in unbroken domino like rows on a north/south line. This configuration provides no defensible space, heightens the residents perception of "no mans land," and reduces resident care for the exterior space of the projects.

The building facades are monotonous, making spatial orientation difficult. The facades do not suggest residences, but rather some institutional use. Fifty percent of the roofs are flat and typical of institutional buildings. They are more expensive to maintain than pitched roofs. The ends of the buildings, which are the only parts which face streets, are windowless and blank. There are no porches to distinguish clearly between back yards and front yards.

A summary of the Comprehensive Needs Assessment conducted by Millkey & Brown Associates, Inc. in 1981 is included in the Technical Supplement of this report. The Comprehensive Needs Assessment was used as the basis for modernization recommendations made in this report.

IV. COMMERCIAL DEVELOPMENT

Conventional shopping is not available within the boundaries of the housing projects. Convenience shopping in the projects is served by "store trucks". These trucks sell various kinds of merchandise at high prices and have a bad reputation with many residents. The best shopping opportunities in West Dallas are now in the Dallas West Shopping Center, located at the southeast corner of the DHA property.

V. COMMUNITY FACILITIES

The West Dallas public housing is served by an unusually high number of community facilities. These range from schools and clinics to park space and community buildings. The following is a summary of the community facilities located within the West Dallas projects:

	George Loving Place	Edgar Ward Place	Elmer Scott Place
A. Educational		George Washington Carver Elementary School Sequoyah Junior High School Priscilla Tyler Elementary School	Jose Navarro Elementary School Pinkston High School
B. Recreational	Community Building Youth Building Girls Club Boys Club Kingbridge Swimming Pool Rupert Playground	Community Building Calypso Park and Swimming Pool Hampton Playfields	Community Building Fishtrap Lake Goldman Playfields
C. Social Service	CETA Office Day Care Center	Carver Children's Clinic Child Care Dallas Center Parents/Child Center Mental Health and Mental Retardation Center Police Storefront Office	Texas Dept. of Human Resources Navarro Childrens Clinic Child Care Dallas Center

In addition to these facilities, there are additional schools and parks located on the perimeter of the Housing Authority site. Amelia Earhart Elementary School is located at the intersection of Bickers Street and Westmoreland Road and Thomas Edison Middle School is located to the south of Singleton Boulevard. The West Dallas Public Library is also located on Singleton Boulevard. Additional park space is located across Hampton Road from the Hampton Playfields and a regional recreation area is planned for the Trinity River flood plain located north of the Housing Authority site.

VI. LEAD SMELTER

The situation in the West Dallas public housing is complicated by a lead contamination problem. The lead smelter adjacent to the site has been there since 1932. The topography (a rapid slope to the original river channel) and the prevailing winds (southerly across and onto the DHA property) combine to pollute the southwest corner of the projects. The lead is found mostly in the dust on the ground surface. It is dangerous to anyone active in an outdoor area where dust is disturbed, such as a child at play. The medical effect upon humans can be damaging to the central nervous system, although higher levels of lead may damage other organs. Conservative medical opinion holds that 300 parts per million (PPM) of lead in soil is enough to be toxic. The Environmental Protection Agency (EPA) standard of allowable pollution is 1000 PPM. About 100 buildings in George Loving Place are in an area contaminated by 400 PPM or more. The DHA allows voluntary relocation from this area. The City and the State Attorney General reached a settlement with RSR Corporation, the smelter operator. A class action suit has been filed for all property owners in the area, including the DHA. The recommendations of this report are made on the assumption that the lead contamination will be removed.

VII. SECURITY

The security situation is also a complicating factor in West Dallas. The reported crime rates are very high and police, residents and the DHA administration agree that it is under-reported. Residents of the public housing, because of their limited resources and the design of the project, have less ability to defend their lives and property against crime than the average Dallas citizen. Thus, lack of defensible space, anonymity and isolation from the general community cause a resignation to criminal activity. The Dallas Police Department recently has made assignment adjustments to increase police presence in the West Dallas projects. Police and residents agree that this has shortened response time and improved the police image. The police department has, in response to desires of the City Council and the DHA to provide better security in West Dallas, have taken steps to provide full-time walking patrols and horse patrols. The 21 person contingent was proposed to improve community relations. This project was funded in the 1983-84 budget and began limited operations Jan. 16, 1984 in a DHA building with six officers operating eight hours per day.

VIII. UTILITIES

The Dallas Housing Authority owns its own streets, water mains, sewer mains, gas mains and electric mains in all of its developments. This creates administrative and maintenance problems because technical labor and equipment resources available are inadequate for the size of the systems. Cooperative agreements under which the projects were built specified that the City of Dallas would accept dedication of the streets after construction. This would have allowed utility companies to take over other main systems. Dedication was widely regarded as a necessary step for utility company takeover. The Public Housing Task Force created by the City in 1982 ascertained that this was not the case. State law establishes a special relationship between cities and their public housing authorities. A city can do anything for a housing authority that it legally may do for itself. The task force recommended that each utility company begin operating and maintaining the appropriate main system on DHA property.

The Department of Street and Sanitation Services has continued to pick up trash from DHA dumpsters at a below cost rate. Dallas Power & Light Company has begun operation and maintenance of the Authority's electric main system. It is also designing and installing new systems under contract as projects are modernized. Lone Star Gas will be operating and maintaining gas main systems after they are modernized. The DHA has obtained funds for complete modernization of West Dallas gas mains as an emergency grant from HUD and Lone Star Gas Company is designing and installing these systems under contract. The City Water Utilities Department previously has operated and maintained water mains at the request of the DHA and recently reiterated an offer to expand this relationship to provide services comparable to those of the electric utility.

MARKET OVERVIEW

I. INTRODUCTION

The initial recommendations summarized in this section are designed to accomplish two objectives:

- To provide the Dallas Housing Authority and other interested parties with the basic economic and market issues affecting the West Dallas community.
- To provide the members of the design team with the economic and market constraints, opportunities, alternatives and recommendations for the implementation phase of the West Dallas rebuilding program.

The overall approach to this market overview was to draw heavily on the design team's previous experience with large-scale residential projects, especially those involving government subsidies. The knowledge gained from previous economic and development projects in the West Dallas community was combined with demographic and physical data for the Housing Authority property.

The methodology included field research, surveys, interviews and analysis of the previously described data. A pure economic analysis would not provide the input that the Housing Authority will need to make decisions concerning the rebuilding of the three large housing projects. First, the area is comprised largely of the lowest incomes in the City. Second, most of the experts consulted believe that the existing socioeconomic data for West Dallas is not correct; that a substantial underground economy exists and some income is unreported. Finally, the strategy for the rebuilding will be shaped as much by external considerations as it is by market conditions. Therefore, our recommendations incorporate the ideas of members of the surrounding community as well as survey results and direct input from residents of the West Dallas public housing. In addition, the socioeconomic data for the entire West Dallas area was carefully evaluated.

II. DEMOGRAPHIC ANALYSIS

Equally important to the demographic composition of the West Dallas public housing (see Existing Conditions section) is that of the entire West Dallas community. Economic distress and decline characterize all of West Dallas. The community is bounded by the Trinity River to the north, the Continental Bridge to the east, I-30 to the south and Loop 12 to the west. Between 1970 and 1980, the area's population fell 17.7%, from 38,724 to 31,888. Part of this decline is attributed to the decline in family size. However, a portion is also believed to be the result of the loss of occupiable housing units in the DHA projects. The area is comprised largely of minority households; black households now comprise about 60% of the total. However, the actual number of black households declined 3.9% in the 1970s. Simultaneously, the Hispanic population grew by 51.1% and is now about 30% of the total.

The contrast in educational levels between West Dallas and the City as a whole reflect the area's problems. In West Dallas, 75.1% of the adult population has not completed high school, as compared with 32.8% citywide. In the City, 39.8% have had some level of college education--but only 5.2% in West Dallas. Job opportunities and type of employment in West Dallas reflect these problems: 52.7% are craftsmen, 27.8% are household workers, 16.1% are clerical and only 3.4% are professional. Only 55.6% of the potential labor force participates well below the 69.6% of the City. Historically, unemployment in West Dallas has been at least double that of the City and was recently estimated at 12.4%. Median income was $9,481, far below the City figure of $21,872.

West Dallas contains 8,669 occupied housing units, down 8.5% from 9,475 in 1970. Part of this decline might also be attributed to the loss of public housing apartments. About 40% of the units are owner occupied, and the remainder are renter occupied. The median housing value is $16,876 and the median rent is $86. The rent is skewed because of the large number of subsidized units. However, each of the these figures is the lowest in the City of Dallas. West Dallas has 10.9% units vacant and boarded up and 10.0% overcrowded, a contrast to the 2.4% of these types of units citywide.

Several conclusions and implications can be drawn from this profile. First, the very low incomes are reflective of the capacity of area residents to own and maintain the homes; a very large portion are now renters and are likely to always be renters. An element of successful home ownership is steady employment. The DHA should carefully evaluate the work history of applicants in an ownership program because the area's labor force participation is much lower than the rest of the City. Secondly, housing values in the surrounding areas are modest. As a result, an amenity package for DHA units to be converted to higher uses, should be somewhat consistent with the area. Finally, lower household incomes directly affect the discretionary spending. Proposals for new retail facilities must consider the buying power of residents.

III. HOUSING CONCEPTS

One of the major conclusions of the West Dallas Design Charette was that within the West Dallas projects, tenants have very little choice of or control over their living environment. All the units are public housing and there is no variety of tenure and little opportunity to personalize the units. In an effort to overcome this problem, the Charette Team recommended development of a diversity of housing varying in prices, in apartment design and in neighborhood amenities. The recommendation was that housing units in the projects be redeveloped into several mixes of housing:

- o Housing at far below market rents.
- o Housing at somewhat below market rents.
- o Housing at market rents.
- o Resident owned housing.

The variations in amenity packages within each type would furnish an incentive to move from public housing into one of the other options.

Market rentals would offer the opportunity for upwardly mobile residents to remain in the neighborhood when they wish to move out of public housing. It would also provide low-cost housing for other West Dallas renters. The units at somewhat below market rentals would serve those families who wish to move up from public housing but cannot yet afford market rate rental levels. The final category, units at far below market rents, would be the portion of housing that continues to be public housing.

The preceding housing types can be further detailed. For example, there are several approaches that would be feasible under the ownership concepts. These would include:

- o Unassisted sale - outright sale at market price with conventional financing.
- o Assisted sale - sale with some public subsidy of the price or the financing terms.
- o Lease option - equity buildup in which a portion of rents are put in escrow for downpayment.
- o Cooperatives - purchase of a share of ownership.

Possible ownership programs and funding for the proposed modernization plan are described in the Implementation section of this report, as are the recommended percentage of each housing type. The following Master Plan section details the building configurations which would correspond with the four amenity levels of housing.

IV. HOME OWNERSHIP MARKET

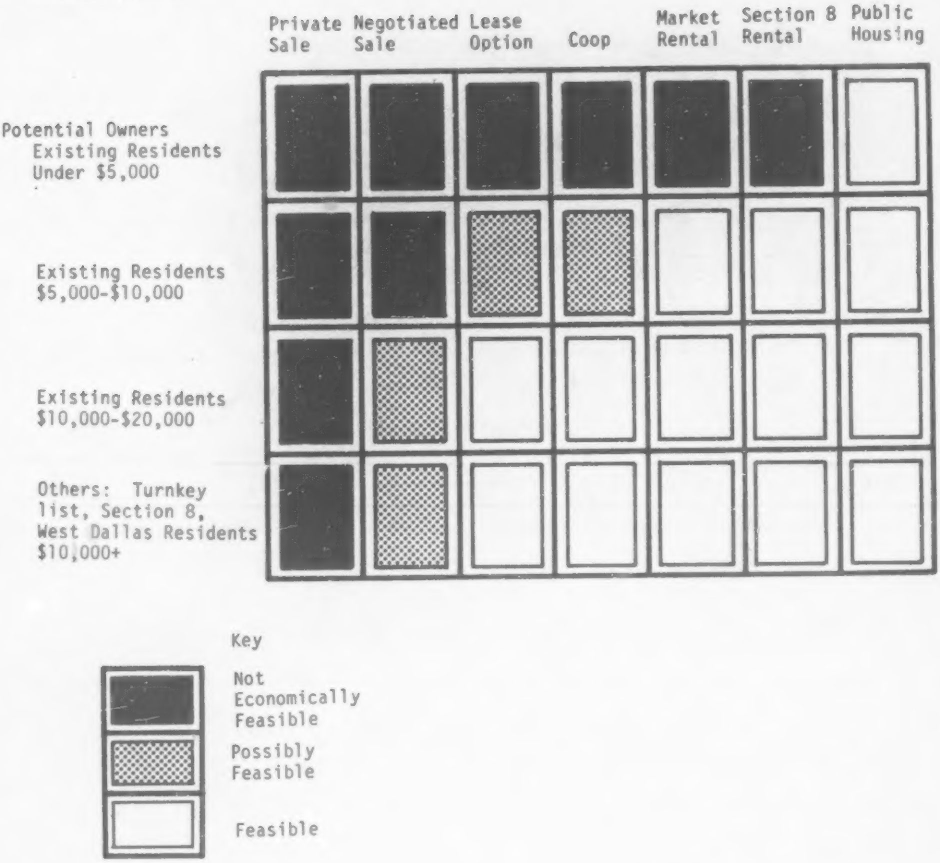
The market for home ownership by current project residents and other West Dallas residents was pragmatically considered in terms of current demographic data.

As the Demographic Data chart in the Existing Conditions section indicates, 73% of the families living in the West Dallas public housing have total incomes of less than $5,000. Twenty-one percent (21%) of the residents fall into the $5,000-$10,000 per year income category. The remaining 6% have incomes ranging from $10,000-$20,000.

From a strictly financial perspective, it is not realistic to expect that households with income less than $5,000 can be responsible home owners. Members of this group would have difficulty affording the monthly cost of home ownership: taxes, home repairs and financing. The households earning $5,000-$10,000 annually probably could not afford ownership either. The group that realistically could be owners are those in the $10,000+ annual income category.

The capacity for ownership by others--West Dallas community residents, Section 8 households, families on the Turnkey waiting list and other public housing residents--parallels that of West Dallas project residents. This capacity is shown graphically on the following table.

HOUSING MARKET



	Private Sale	Negotiated Sale	Lease Option	Coop	Market Rental	Section 8 Rental	Public Housing
Potential Owners Existing Residents Under $5,000	■	■	■	■	■	■	□
Existing Residents $5,000-$10,000	■	■	▨	▨	□	□	□
Existing Residents $10,000-$20,000	■	▨	□	□	□	□	□
Others: Turnkey list, Section 8, West Dallas Residents $10,000+	■	▨	□	□	□	□	□

Key

■ Not Economically Feasible

▨ Possibly Feasible

□ Feasible

V. COMMERCIAL DEVELOPMENT MARKET

In addition to innovative housing concepts, the Master Plan calls for a Town Center to be developed. This retail and office facility is described in detail in the following Master Plan section and is illustrated on the Master Plan. First outlined in the West Dallas Design Charette report, these concepts must be reviewed in terms of the existing market for such facilities.

A windshield survey of the existing retail facilities in West Dallas, not including the Dallas West Shopping Center, was completed. A detailed list of existing facilities may be found in Appendix V. The Dallas West Shopping Center, located at Hampton Road and Singleton Boulevard, has about 150,000 square feet of retail space. Its location is central to all of the West Dallas community as well as being directly adjacent to the public housing. In December 1983, the TG&Y had announced that it was leaving, but tHe center's management expected to fill that space and one other vacant store. The center has about 25,000 sq. ft. of grocery space, 70,000 sq. ft. in general merchandise, 35,000 sq. ft. in clothing and shoes, 5,000 sq. ft. in a drug store, and the remainder of the space occupied by beauty/beauty supply, wig, and record stores, a washateria and vacant space.

In West Dallas, there is approximately 250,000 square feet of retail space and 25,000-50,000 square feet in services and restaurant type uses. Using rule of thumb multiplier and considering the number of households in the area, median income and average disposable income, and expected sales per square foot in retail outlets--it may be concluded that West Dallas is generally adequately served for retail. However, there are some types of stores that are not adequately supplied. Another drug store may be needed on the far west side. Surveys indicate that some of the clothing purchases occur outside the area. There also appear to be few, if any, repair stores. However, the Dallas West Shopping Center has a good mix of stores and good quality merchandise that is apparently well marketed.

As the consultant team further evaluated the idea of a Town Center, it became clear that any new commercial development should reinforce and be made part of the existing Dallas West Shopping Center. It would be preferable, in fact, for new private commercial development to be under the ownership and management of the owner of the existing center. There is no market justification for two centers.

In assessing the needs for new uses in the Town Center, RERC did an overview of the existing retail market. Part of the conclusions also were based on input from the manager at Dallas West, who stated that, while the center is essentially sound, it has on the average about a 15% vacancy rate. This, in itself, reflects on the market for retail development in West Dallas.

New retail development for the area is less oriented to real market demand than it is to identifying some activities that would provide amenities for the residents, both those who live there now and new families which move into rehabilitated units. During the initial phase, the following should be considered:

- a coffee shop primarily oriented to day-time employment in West Dallas, but also suitable for residents;
- the planned West Dallas Community Center;
- a police sub-station;
- a replacement of the TG&Y post office.

Though the market for office was not carefully evaluated, some local experts perceive a need for a small amount of office space in the area. A small building of 5,000-10,000 square feet could house a few medical and professional offices needed in West Dallas.

As the boarded up units are restored for occupancy, as new residents fill up elderly housing, and as families live in moved-in homes in the newly organized community, then the potential for additional retail and service facilities should be re-evaluated. The demographic characteristics of the new families--number of people, age, households and income--will be the deciding factors in identifying new retail facilities.

VI. SURVEY RESULTS

As was noted earlier, assessment of the demand for housing in an area like West Dallas is difficult. An important part of this assessment was a survey of existing residents to determine their priorities for improvements and changes and the level of interest in owning a unit if the price were affordable. Renters in some of the surrounding neighborhoods were surveyed to determine whether they would consider owning a unit on the Housing Authority site, and to identify the housing features that would be important to them, the size of unit they require, and the monthly housing payment they could afford.

A. West Dallas Public Housing Residents

Approximately 1,750 surveys were mailed to the residents in West Dallas projects and about 450 or 26% of these were returned. The results of these surveys are discussed here and the complete summary appears in the Technical Supplement.

Several survey questions concerning the design and modernization of the projects were of a critical nature. The survey asked which two (of a list of six) items were most important to improve in the rehabilitation program. The answers in order of priority follow. This indicates that the interior environment and security are tenant's key issues.

- The inside of the apartments (72%);
- lights and security (52%);
- the outside appearance of the buildings (39%);
- laundry facilities (34%);
- children's play area (30%);
- parking (16%).

The responses to the question "What two things do you think are most important to improve inside the apartments?" follow. These results indicate that the residents are primarily concerned with security and the basic housing needs.

- Doors and locks (63%);
- kitchen appliances (56%);
- windows (35%);
- heating units (27%);
- storage areas (16%);
- closets (14%);
- lighting (10%).

The following were named as priority items for the Dallas Housing Authority to provide:

- more police patrols (54%);
- better cleanup of grass areas (38%);
- more washer/dryer facilities (35%);
- fences (33%);
- convenient grocery stores (31%);
- better tenant selection (29%);
- trees and flowers (19%);
- carports (17%).

When asked whether they would be interested in buying an apartment in the projects if the monthly cost were reasonable, 63% answered "yes". The vast majority of those positive responses said they could afford to pay no more than $250 per month for housing costs, and most who wanted to buy were willing to perform some of the interior repairs. The table on the next page shows the breakdown of survey results concerning interest in ownership.

The table has broken out the responses by rent categories and shows the proportion in each group that is interested in home ownership. As can be seen, those that are in higher rent categories are more interested in ownership; however, a substantial number on the lower rent group were also interested. Based on these results, the table also projects the probable number of potential owners, revealing that interest and potential demand is strong.

SURVEY RESULTS MATRIX

WEST DALLAS PUBLIC HOUSING RENT CATEGORIES	SURVEYS SENT	RESPONSES	RESPONDENTS INTERESTED IN OWNERSHIP	POTENTIAL OWNERS IN RENT CATEGORY	APPROXIMATE INCOME LEVEL
(monthly)		(%)*	(%)**		
$200 +	96	28	19	65	$10,000-$20,000
		(29)	(68)		
$151-$200	154	39	29	114	$5,000-$10,000
		(25)	(74)		
$101-$150	174	51	26	89	Less than $5,000
		(29)	(51)		
$0-$100	1,213	327	195	729	Less than $5,000
		(27)	(60)		
TOTAL	1,737	445	269	997	
		(26)	(60)		
Median Income =	NA	100	86	Potentially several hundred	
$9,481 +			(86)	in West Dallas	

* Percentage of surveys sent

**Percentage of responses

B. West Dallas Community

It was hoped that the survey of renters in surrounding neighborhoods would be an important indication of whether other West Dallas residents would consider buying in projects that are generally considered to be the worst in the City. A total of 1,100 questionnaires were distributed through neighborhood leaders in the area; 73% were distributed to parents in Gabe Allen Elementary School. Response to the survey was limited and the results could not be considered statistically valid.

RERC received 152 responses, 52 of which were from homeowners and were not included in this summary. Responses from 100 completed questionnaires are included in this summary. These respondents include those who are currently renters and those who did not indicate whether they rent or own.

Virtually all respondents indicated they would like to buy a home as described in the cover letter. Reasons given for this interest include: more room/space, more privacy, having a place of one's own, stability for the family, buying when affordable houses are available, for the children's future, currently living with parents, a growing family, and always having a home available.

Among those answering "No" to the question: "Would you be interested in buying one of these West Dallas apartments if you could afford the cost?", the answers included:

- "I would not buy a house in West Dallas if I could afford to buy a house";
- "I would not want to buy a house close to the projects";
- "I would want more privacy" (presumably than that afforded in a condo-type arrangement);
- "I am too old";
- "I don't have enough money";
- "I can't afford to buy a house".

Over one-half would prefer a three-bedroom home, 29% want a 4-bedroom place, with only 21% of the respondents opting for a one- or two-bedroom home. Almost half, 47%, say they could afford at least $200 per month in payments for a house, but only 3% say they could afford $300 or more. This contrasts with the fact that two-thirds of the respondents now pay $200 or less for monthly rent and 58% pay only $100 or less for monthly utilities. This ambiguity may reflect a willingness to pay a larger share of total income for the purchase of a house (making an investment) than for monthly rent.

Most of those responding cited "family size" (probably in reality meaning household size) of four or more persons. In fact, 17% have households of 7 or more members, and 58% have 4, 5, or 6 members. Only 28% have three or fewer household members. Of 38 larger households (five or more in the household) 23 say they could only pay under $200 per month for a home. Only two could afford to pay over $300 per month.

The appearance and spaciousness of the neighborhood seems important to the respondents. Yards and fenced play areas rated highest among amenities selected; trees and parking spaces were equally preferred by 18% of the respondents. Last on the list is the neighborhood laundry.

Almost one-half would like a grocery store in the neighborhood and a little over a third would like a drug store. Laundry/cleaners was selected by only 8%; when considering this response and the related ones in questions 8 and 9 (washer, laundry), it appears that laundry facilities within the home are preferred to other features and as opposed to laundromats or laundries/cleaners operating in the neighborhood. In addition to the cost factor, this preference is possibly due to convenience and safe access at night to the laundry facilities.

Many of these respondents have some experience in typical home maintenance or minor repair work. Fifty-seven percent have done interior or exterior painting; 31% have carpentry experience, 27% gardening experience, and 26% decorating experience. Almost all would be willing to do some work on the house themselves in return for a reduction in the house price.

MASTER PLAN

I. INTRODUCTION

The following recommendations for physical improvements in the West Dallas housing projects must be considered at three scales: the master plan, the subneighborhood unit and the block pattern.

Throughout the development of the following guidelines, the intent has been to arrive at solutions which will counter the physical and social isolation of the projects. The original planning strategy for West Dallas public housing was to separate not only the projects from the adjoining neighborhood, but the three projects from each other. The vast spaces between the developments were conceived as barriers not easily crossed. This isolation has contributed to the deterioration of all three projects. The reintegration of the projects into the larger West Dallas community will make them positive components in the City. This can be achieved by revision of the housing fabric itself and promotion of physical continuities through and beyond the project area. Much of the isolation and stigma attached to living in the projects results from obvious physical conditions which can be remedied by applying design criteria for non-public housing types. The establishment of a more typical neighborhood environment is a primary goal for this master plan.

There are three general steps to be taken to reach this goal. The first is to integrate small, single-family houses typical to West Dallas among the multi-family units. Secondly, the existing multi-family units should be rearranged to look and function more like private-sector, moderate-income apartments in the Dallas area (see drawing titled "Analysis of Housing Pattern and Appearance"). The third step is to build on the Dallas Housing Authority site, a Town Center with all the civic and commercial uses of a traditional small downtown or suburban village shopping center (see drawing titled "Analysis of Town and Village Centers").

To implement these three steps, housing and commercial developments throughout the City of Dallas were analyzed. These precedents are significant because they provide a working demonstration of physical types readily accepted by the community. Therefore, they can be analyzed in terms of visual appearance, scale, relationship of parts and amenities.

II. RECOMMENDATIONS FOR IMPROVEMENTS AT THE MASTER PLAN SCALE

Analysis of the existing site plan reveals the following conditions:

- There is a vast area in the center of the property which has poor access, is not well defined, and acts as an underutilized "no-man's land". The drainage improvements proposed for this area by the City would further disrupt the site's continuity and prohibit future development.
- The lake exists as a potential visual amenity to the site. This potential is lost because there are no road connections into the surrounding housing areas and the land around the water is not identified or focused in its use.
- There are more schools, recreation and open space than in most developments of a square mile, but there are disproportionately few commercial, business or job sites within the property.
- The similarity of dwelling unit types over such a vast area provides no variety of place.
- There are not enough streets within the projects which connect to the surrounding streets, and there are not enough vehicular and pedestrian connections between housing areas.

In response to this analysis, several major design elements have been incorporated into the existing residential development. The lake serves as the catalyst for these commercial, civic and recreational developments.

A. Lakefront Development

As the projects are currently composed, Fishtrap Lake exists as a detention pond. It is underutilized for recreation and the surrounding residences all but turn their backs on it. Instead, the lake should be viewed as a primary amenity for all the housing groups. Its perimeter should be developed as the site of activities for all of the project's residents and as an attraction for the whole of West Dallas. This series of unique features then can be linked significantly into the surrounding fabric.

An analysis of the land use adjacent to Fishtrap Lake reveals the following:

- To the south is a narrow strip of land between the lake edge and Singleton Boulevard. It slopes off steeply and is too narrow for development.
- To the east are located the West Dallas Shopping Center and Pinkston High School. An active and well used football field is between these complexes.
- To the north is the Edgar Ward Community Center, a series of DHA maintenance buildings and the old historic cemetery.
- To the west is the Jose Navarro School separated from Singleton Boulevard by a large swath of open land.

The objective for the design of the land surrounding Fishtrap Lake is to establish a series of commercial, civic and recreational activities unified by a Lake Drive and a pedestrian path system. Activities include a new Town Center to grow from Singleton Boulevard up the western side of the lake, a Community Campus in the northwest corner connecting the Town Center to the existing Elmer Scott Community Center, and a combination of formal and informal park spaces ringing the remainder of the lakefront.

B. Town Center

The proposed Town Center grows northward from Singleton Boulevard on the available open land south of the Jose Navarro School and across the lake from the existing Dallas West Shopping Center. This location takes advantage of the lake as a visual amenity and enhances the lake by providing a place of intense activity from which it can be viewed. The gridded nature of the proposed development permits multiple and easy connections from Singleton Boulevard, the major east-west thoroughfare in West Dallas. The Town Square, flanked by commercial services, is aligned axially across the lake with the high school's athletic field allowing a view of the Dallas skyline beyond with the lake and park in the foreground. Leading out of the Square to the west, Pueblo Street becomes a boulevard extending the reach of the new Town Center development further to the west, eventually meeting Pueblo Street outside the project area across Westmoreland.

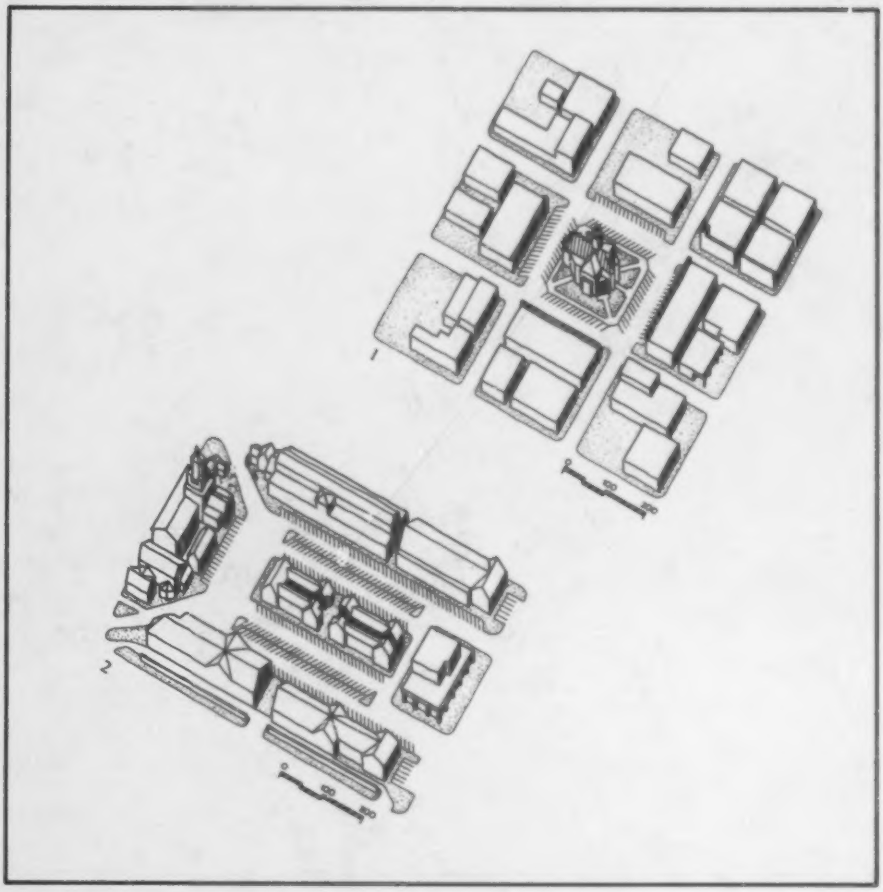
It is important at this point to distinguish the concept of a Town Center from a strictly commercial shopping center. Town Center, as an idea, contains within it elements of civic pride and public service as well as commercial enterprise. It can focus the community by providing a physical center by which it can be identified. An example of this type of space would be the 19th Century courthouse square which embodied the heart of the traditional Texas town. This kind of place is conspicuously absent in the entire West Dallas area. The types of uses represented by the Town Center must be mixed, as in any real town. Multi-family housing also should be incorporated in the Town Center to maintain a high level of activity and surveillance. A small business center could be located on Singleton Boulevard as a zone of office and warehouse functions adjacent to the Town Center. This would complement the commercial uses and offer access to employment and job training for the local residents.

C. Community Campus

The presence of the existing Elmer Scott Community Center north of the lake along with the Jose Navarro School suggest that additional civic functions should be located at the northwest corner to form a Community Campus. One prime site for a new Community Center is here. In addition, a structure to house state and federal service agencies should be a feature of this Community Campus. Twin towers of elderly housing would be located here in close proximity to commercial and community facilities.

An alternative drainage route from the lake to the Trinity River follows the low elevation along a diagonal established by the Sequoyah Junior High School and the Carver School to the north. This water feature begins at the lake with a recreational boat basin or pool, extends down a long channel and ultimately empties into the existing lagoon. It is designed to be a public open space or "water garden" providing a pedestrian path connecting the lakefront with the residential areas beyond and the center park recreation area formed adjacent to the two schools.

This Community Campus at the north lakefront begins a system of park spaces which wrap the north, east and south sides of the lake. The removal of DHA maintenance buildings permits enlargement of a lakeside park around the cemetery to its east and west. Also, the extension of Albrecht Street south through to the lakefront is crucial to provide direct access for the residents of Elmer Scott and Edgar Ward Places from the north to this new activity center. A semi-circular landscaped theater engages the lake's edge, focuses the view and connects to a public market mall which extends out from the lake east to Hampton Road.

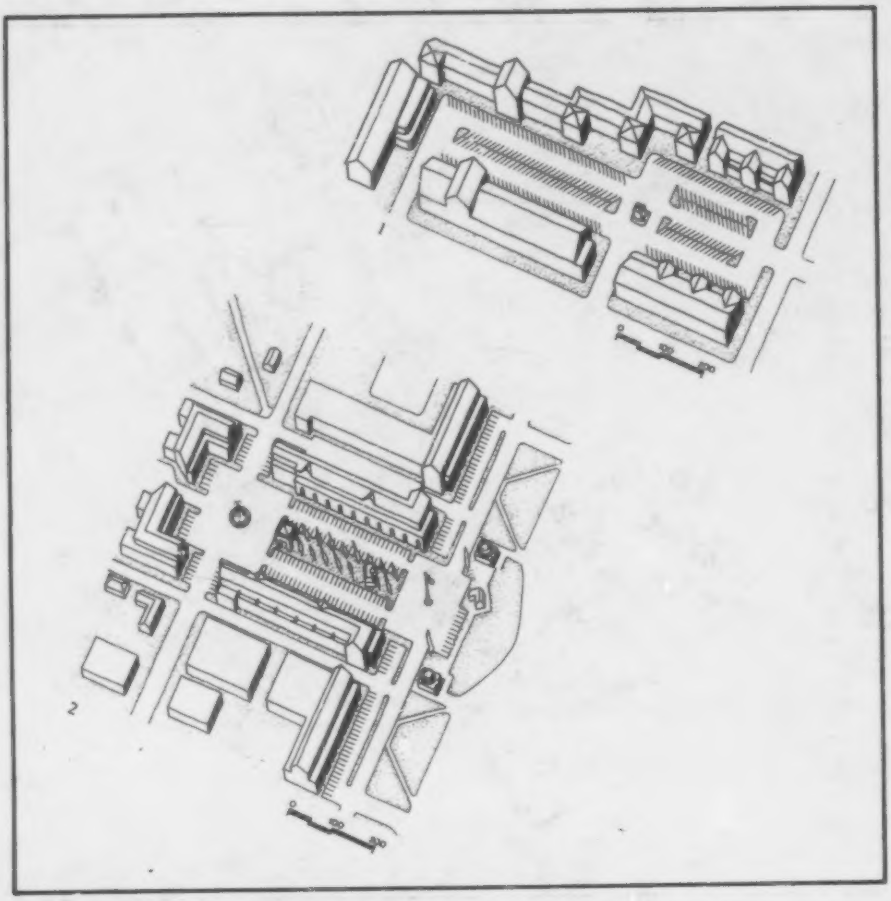


TOWN CENTER COMPARISON - HISTORIC

The four views shown on the two pages of the town center comparison are all to the same scale. They illustrate the relative sizes of shopping community spaces and the location of parking and shops.

1. Town square in Waxahachie, Texas.

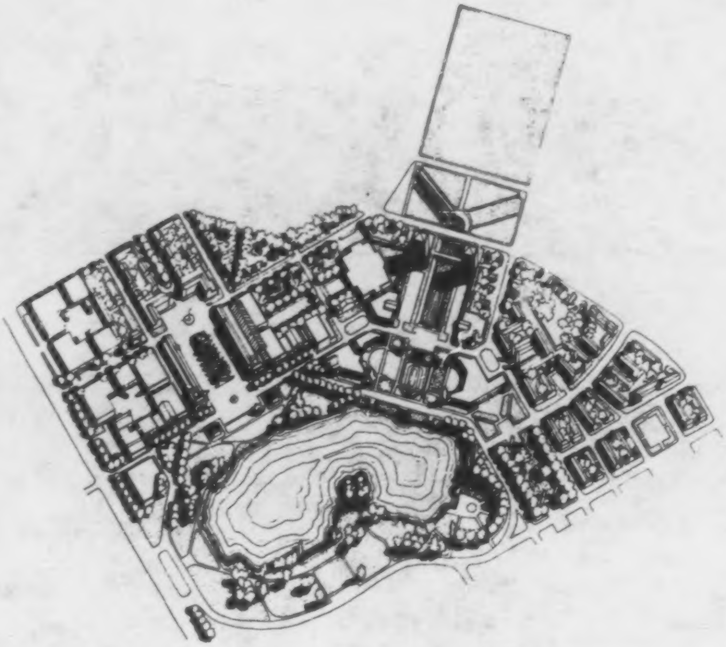
2. Highland Park Village shopping center, Dallas.



TOWN CENTER COMPARISON - CONTEMPORARY

All of the shopping centers in the comparison, including Waxahachie, provide curbside parking in front of the shops. They also imitate the small village scale of the real historic town center.

1. Adelstein Plaza.
2. Town Center, West Dallas Multi-use buildings with housing above the shops are proposed.



TOWN CENTER- AIR VIEW

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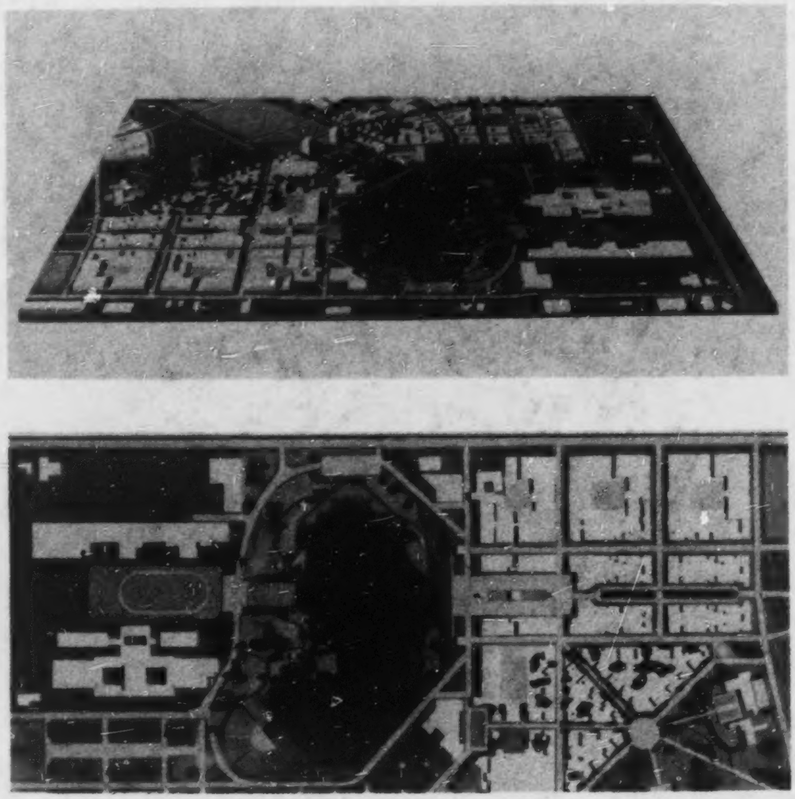


TOWN CENTER - MODEL

III. RECOMMENDATIONS FOR IMPROVEMENTS AT THE SUBNEIGHBORHOOD SCALE

Conspicuously absent in the existing layout of buildings is an established place which acts as a focus for a subneighborhood group. The buildings are relentlessly similar and oriented in the same east-west direction. There is a sense of barrenness and unending vistas throughout all of the projects. Further analysis reveals that:

- Open spaces are ill-defined and too similar to one another to be adequately programmed. There is no variety or sense of location.
- Within each of the three project areas there is no clearly designed center space or subdivision into subneighborhoods.
- There are not enough existing east-west road connections within the projects to locate shared services and amenities.
- There are not enough existing east-west road connections within each project area to establish the active network required for a linked neighborhood.

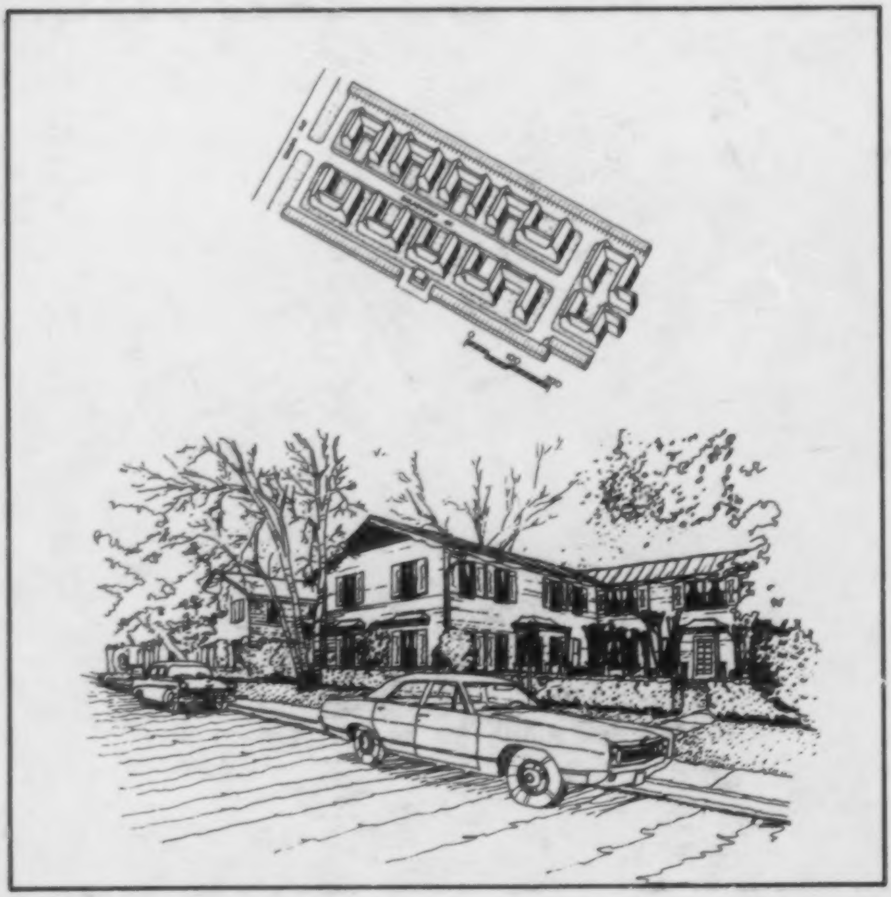
The introduction of a street and block system would provide the opportunity for differentiation of the building pattern and designation of place. Within this new pattern, diverse amenity packages for units can be established. The addition of lots for single family homes will further alleviate the monotony and make the projects blend more readily into the existing West Dallas housing mix.

The use of close-ended block types (see Block and Yard Studies) of varying sizes alters the existing pattern and closes the vistas. A variety of spaces can be provided with squares, streets, parks and blocks arranged in a recognizable pattern with a distinct subdivision into subneighborhoods. These subneighborhood centers, organized around a central green square, would serve as places of focus, identity and communal pride. They could contain recreation, convenience shopping, management office and community rooms. Each should be unique in appearance and determine the character of the surrounding residences. These subneighborhoods and their centers will provide the opportunity for the existing large projects to be subdivided and given individual names.

There will be between nine and twelve different subneighborhoods in the Final Master Plan. Further review and testing of this report will determine exactly how many subneighborhoods should be created and their locations. It is essential to provide a completed road network within each subneighborhood so that stronger links are possible between neighbors and a road hierarchy is developed between residential street, subneighborhood edge and through roads.

In the prototypical neighborhood study (see Drawing and Model Photo) a detailed test case was studied of the rearrangement of housing units and road patterns. In the proposed master plan, the subneighborhood square becomes the focus of recreation, community facilities and open space for approximately 300 dwellings. Although more streets are added to the infrastructure, there are definite benefits:

- More convenient access to trash containers for residents and for trash removal is possible.
- More of the project could be directly patrolled through automobile surveillance.
- More dwellings would have direct access for fire protection.
- Conventional address designation for each dwelling would be possible.
- More complete and uniform extension of normal street lighting would be possible.



HOUSING COMPARISON - PRIVATE SECTOR

These 'U' shaped private sector apartments in Oak Lawn have similar front and back conditions to the West Dallas Projects.

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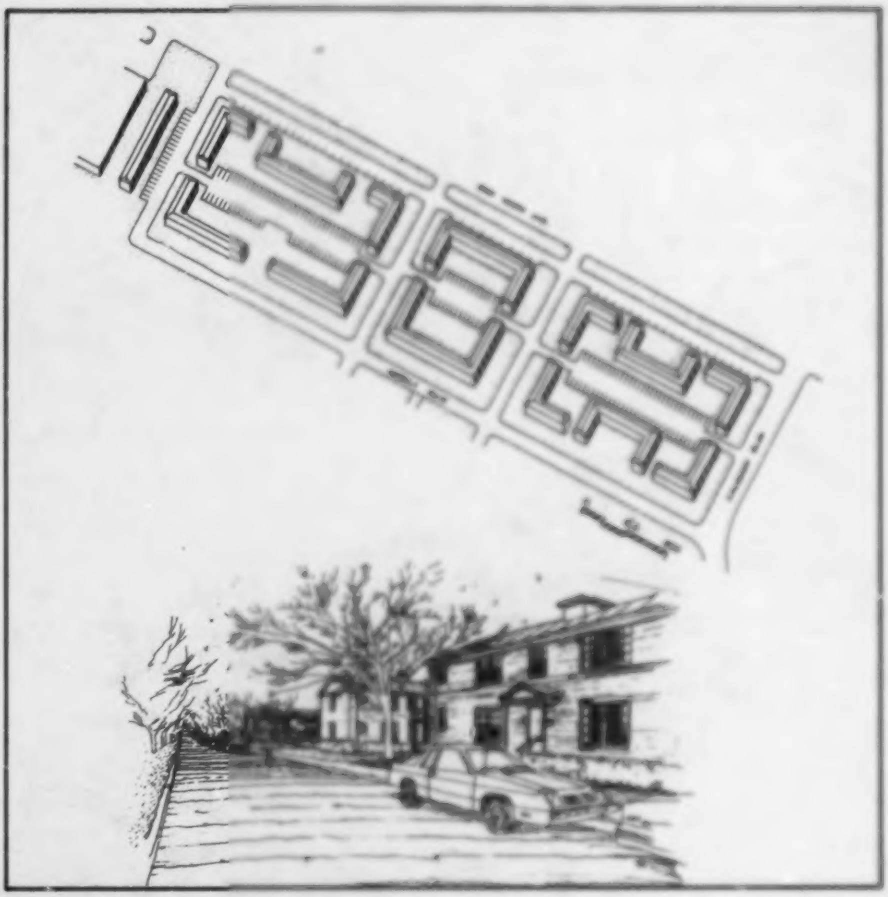

HOUSING COMPARISON - PRIVATE SECTOR

These private sector apartments in Oak Lawn are arranged in blocks with front and rear orientation. Parallel parking is used on street in front of the blocks with perpendicular parking, trash collection, and play space in the rear.

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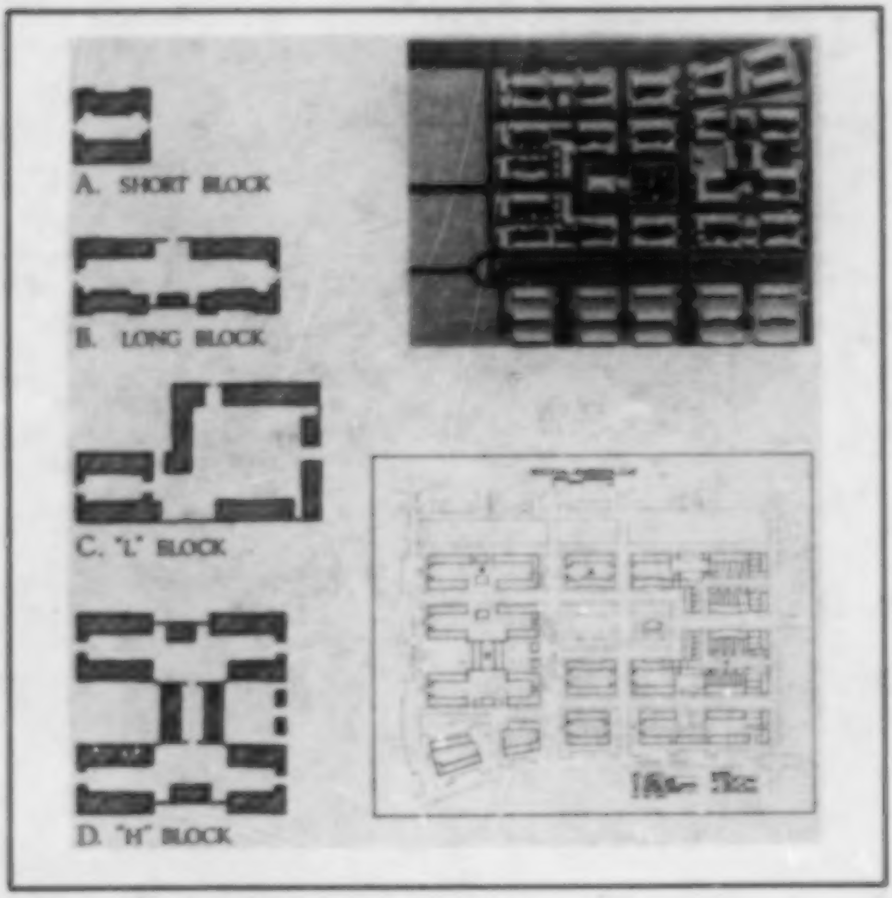
A. SHORT BLOCK
B. LONG BLOCK
C. "L" BLOCK
D. "H" BLOCK

PROTOTYPICAL NEIGHBORHOOD STUDY

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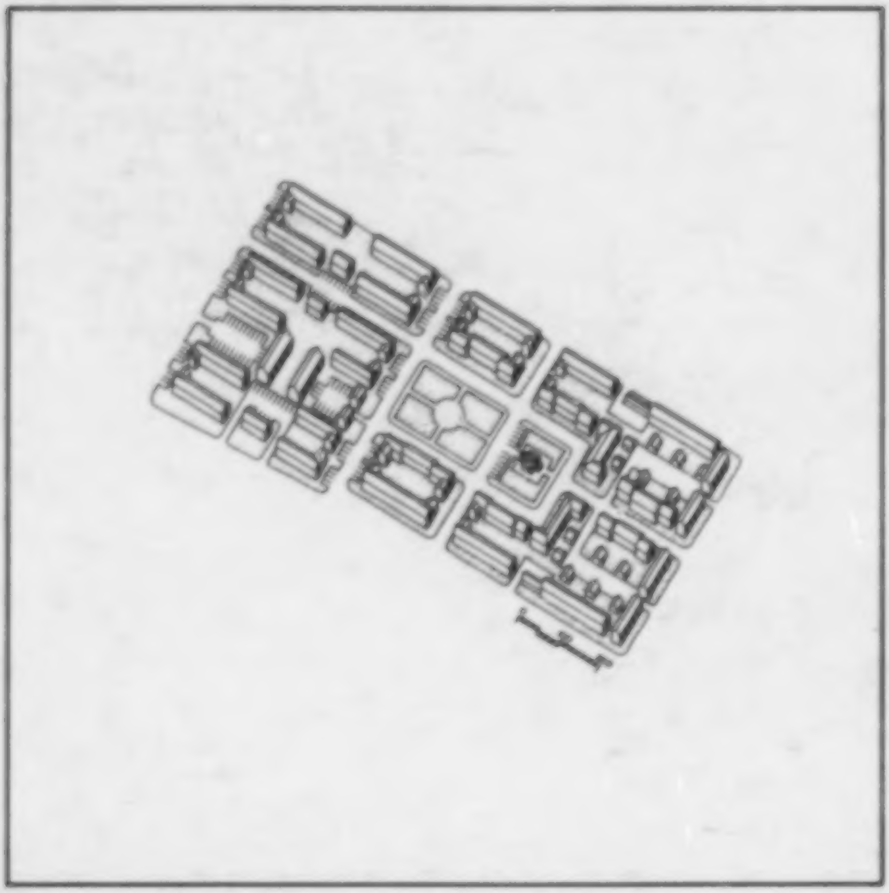

HOUSING COMPARISON · WEST DALLAS PROJECTS

This shows the proposed changes to normalize the existing site plan and building pattern into blocks with streets in front, closed ends to the rear yards and a central neighborhood square.

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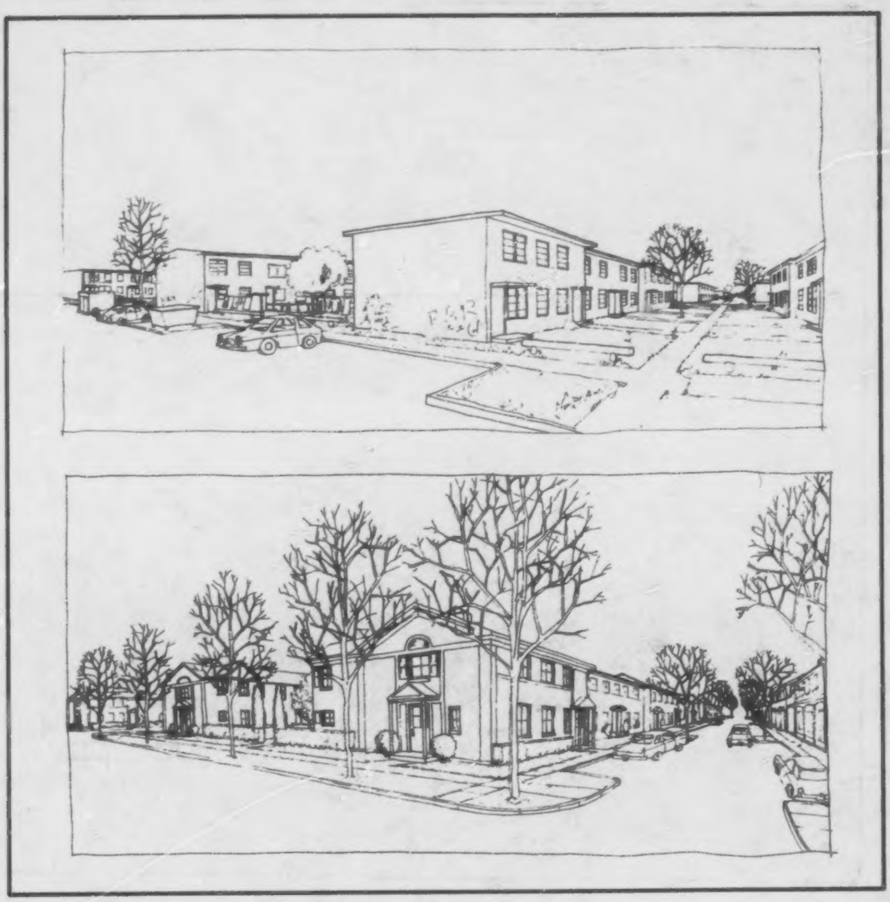

HOUSING COMPARISON - WEST DALLAS PROJECTS

These two perspectives show the existing conditions and proposed changes.

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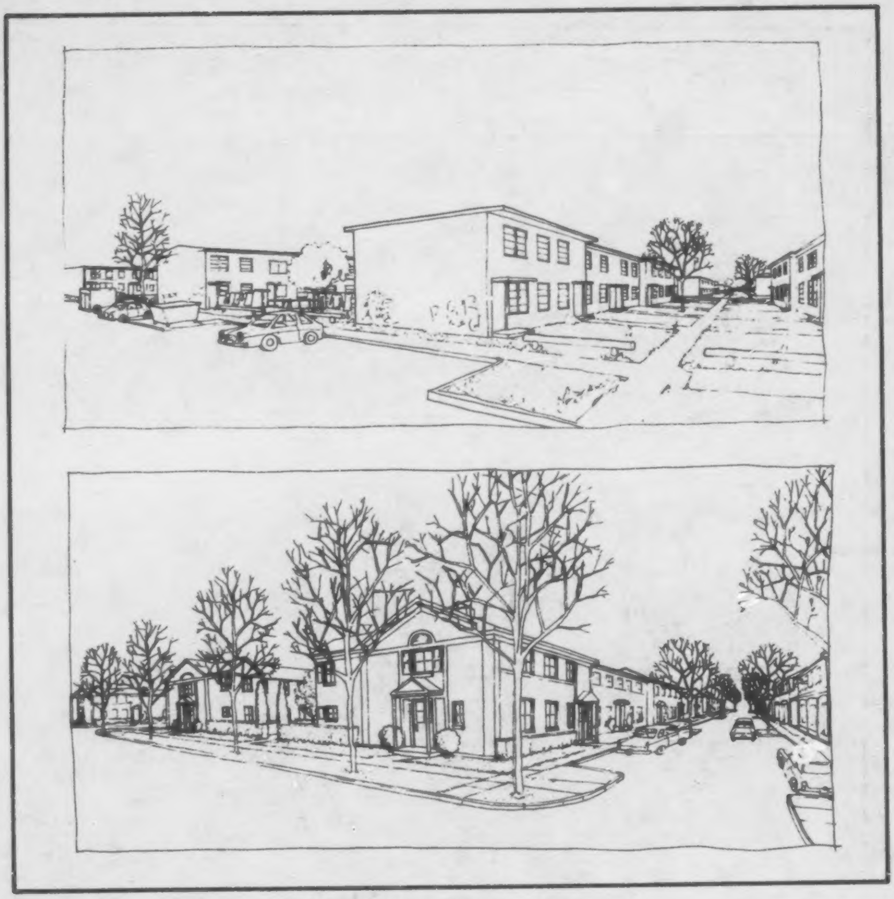

HOUSING COMPARISON - WEST DALLAS PROJECTS

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IV. RECOMMENDATIONS FOR IMPROVEMENTS AT THE BLOCK AND YARD SCALE

As previously stated, the existing building layout presents fundamental problems relative to the function of the overall master plan. The basic building "bar" needs to be transformed into a "block" element in order to address the following existing problems:

- The front and back of the units are indistinguishable from one another so that public and private outdoor spaces are not separated.
- The streets are not at the front of the units.
- The parking is not related to or visible from the house and is a security problem.
- The end walls are windowless, prohibiting supervision of streets and monitoring of parking areas by the residents. No unit looks down the length of the rear yard space.
- The domain of the tenant, beyond the door of his house, is vague and not well defined. No private or semi-private outdoor space is provided for use by the individual residents.

In the preliminary master plan, a variety of block types have been applied to the overall plan to achieve diversity within the general pattern. These block types share common characteristics. They all contain closed rear yard spaces which discourage access except by the immediately adjacent resident. The degree of closure and privacy achieved is determined by the tenure of the tenants and commensurate amenity package. Parking will be provided on the street in front of the units as well as in some off street carports and garages.

Windows and doors will be provided in the end walls of each building. Bay windows added to existing units or new units at the block ends are provided to survey the rear yard spaces. More walls, fences and hedges are made to define private and semi-private outdoor space in the rear of the units as well as to set boundaries for communal uses such as tot lots.

A. Type A: Short Block

This block alternative consists of two existing buildings of duplex units linked by their common rear yard space. Each unit would be provided with a patio separated by wall, fence, or hedge from the adjacent unit. The units at each end of the building require at a minimum, a window for street surveillance. Many other options are available for the modification of the end unit to spatially close the rear yard from the street. These include: a fence with gate, an additional bedroom built perpendicular to the unit, or a bay window. A porch also could be added, creating entry to the unit from the cross street.

B. Type A1: Short Block

For sites in which a duplex building of units faces a one-story series of units, an alternative form of secured parking can be provided. Alternate one-story units may be removed and garage pavillions inserted between the remaining units.

C. Type B: Long Block

This block type joins four duplex buildings into a double-length block. Depending on the means of closing the gaps between buildings (see variations 1 and 2) one long central yard space or two shorter ones are created. The further subdivision of the common yard space into individual private gardens is possible and would be determined by the amenity level of the units. At a minimum, each unit would have a patio separated by partial walls from its neighbors and the new gates would be close to the gardens at either end of the block. The common central area in this case would be shared by all the residents of the block and maintained by the DHA.

D. Type C: L-Shaped Block

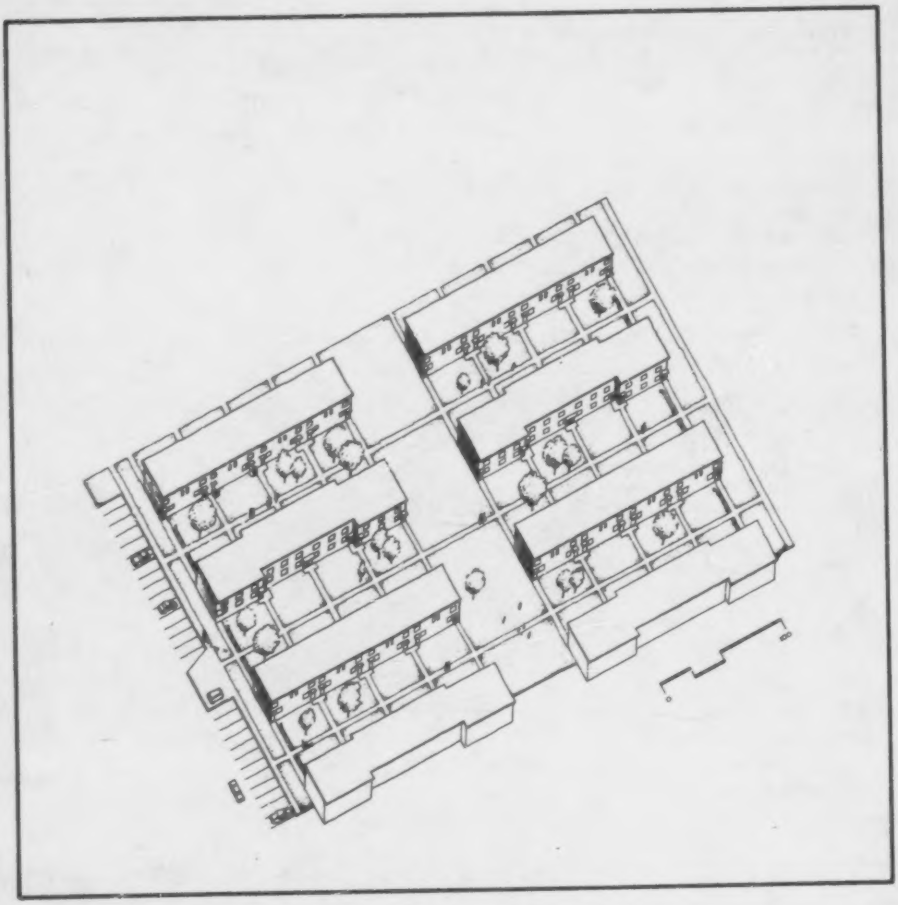
This block type is formed by the removal of one building "bar" and the reversing of the front and back doors of one building. The large block interior with an alley with individual garages adjacent to private fenced back yards. The units in the narrow portion of the L are provided with a central carport with controlled access. This block type represents the highest amenity level. It always occurs next to the local neighborhood green square.

E. Type D: H-Shaped Block

This block type derives from joining together two long blocks via a U-shaped front court. This type occurs, in general, where there are existing units perpendicular to the existing direction of the building layout. They are an important type in that they provide additional diversity for the overall site plan.

F. Single-Family Homes

New and relocated single-family homes can act as lining elements in various areas of the site plan. The green strip along Bickers Street which fronts Elmer Scott Place is one important location, the area to the north of Edgar Ward Place is another, and the new triangle formed between George Loving Place, Elmer Scott Place and the new town square would be a third. The introduction of this housing type is important to aid in the transition to multiple family dwellings and to provide greater variety to the visual appearance of the overall environment.



BLOCK AND YARD STUDY - EXISTING PATTERN

This shows the existing layout of eight buildings with parking only at ends, no difference between front and back of dwellings and no windows on ends of buildings

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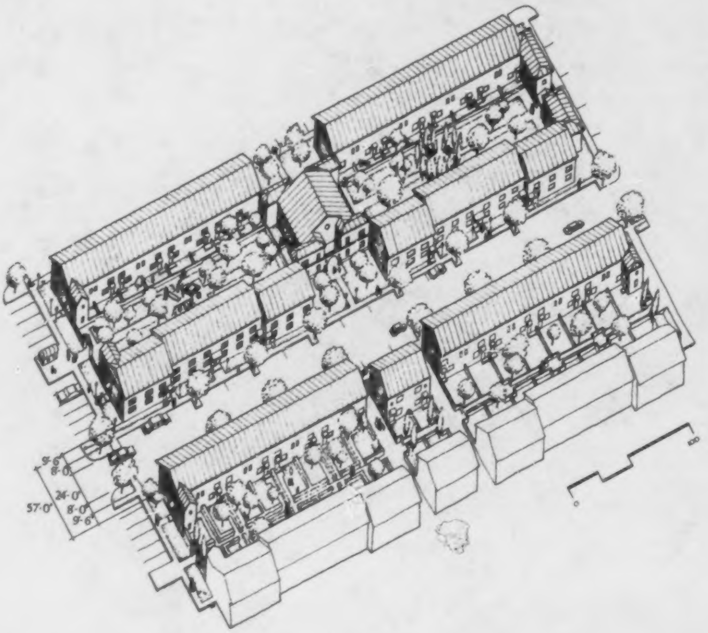

BLOCK AND YARD STUDY - PROPOSAL

This shows eight existing buildings revised into two long blocks. The ends and middle spaces are filled with new units or extensions to existing units.

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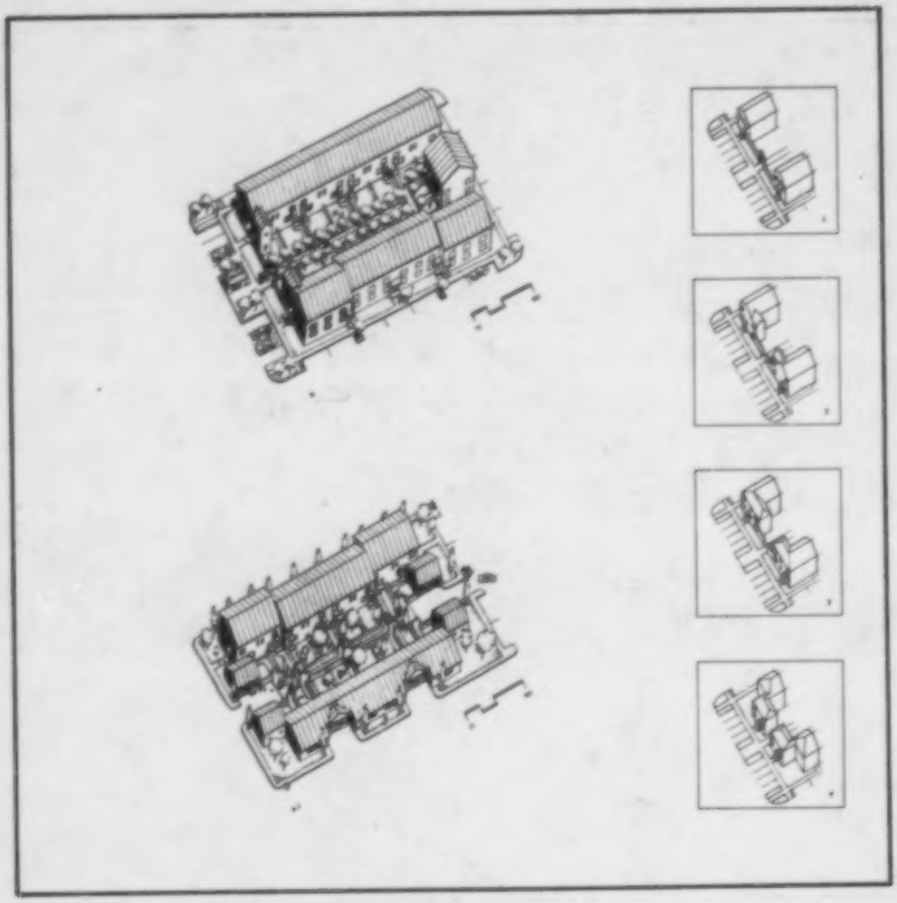
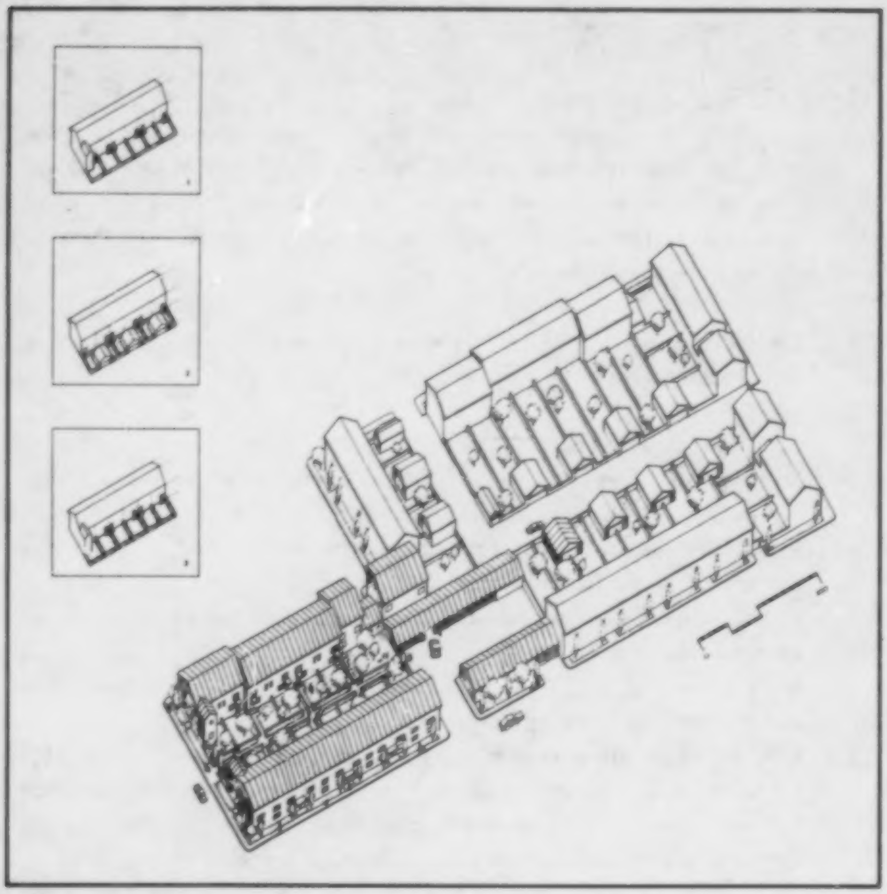


BLOCK AND YARD STUDY - PROPOSAL

Four options for block end conditions are shown:

1. Fence and gate
2. Bay window
3. Added room
4. New dwelling



BLOCK AND YARD STUDY - PROPOSAL

Three options are shown for backyard closer conditions:

1. Rear yards with fenced gardens.
2. Rear yards with gardens.
3. Rear yards wjth hedge separations

SITE DEVELOPMENT ASSESSMENT

I. OBJECTIVES AND STANDARDS

The Dallas Housing Authority has as its charge, the objectives and standards for modernization programs determined by the Public Housing Committee of the Mayor's Task Force on Public Housing. These objectives and standards are the basis for all new construction and modernization of existing units proposed in this report:

1. The creation of an acceptable living environment for the residents of each housing project;
2. Improvement of the overall security of each community as it relates to both persons and property;
3. Creation of communities which are manageable and concurrent improvement of DHA management services;
4. Deinstitutionalization of each housing project so that it loses the appearance of public housing;
5. Provide reasonable improvements which result in the conservation of energy resources;
6. Bring community facilities into compliance with City of Dallas codes and HUD Minimum Property Standards;
7. Provide reasonable amenities as requested by the residents and staff;
8. Building local partnerships by utilizing the services of each resident council, City of Dallas departments and HUD in planning and carrying out the renovation of each housing project;
9. Integration of each housing project into the basic revitalization strategy of the City of Dallas;
10. Utilize materials and supplies of such quality that a reasonably long maintenance-free life can be expected from the modernization efforts;
11. Make the best use of each and every dollar made available to improve the overall quality of life at each housing project.

II. MASTER PLAN DEVELOPMENT

The following is a preliminary assessment of the site work and engineering design considerations involved in the proposed master plan.

A. Off Site Work

The site improvements necessary for development of Fishtrap Lake extend beyond the boundaries of the projects. When the lake dam and adjoining drainage channel are constructed, as described below, additional storm drainage must be provided south of Singleton Boulevard. All of these improvements are described in the HNTB Fishtrap Storm Drainage Improvements Study, outlined below.

B. Clearing and Demolition

Master Plan Implementation:

An essential component of this master plan is the reconfiguration of building patterns. This will require the demolition of buildings as well as the addition of new buildings. Preliminary costs outlined in this Chapter assume that all buildings not included in the Master Plan will have to be demolished. However, the possibility of moving some of these buildings is very feasible and warrants further investigation. Because the structures would be moved a very short distance and within a controlled site, moving existing public housing structures may prove to be a cost-effective alternative to new construction. The actual cost of moving buildings will be determined after specific new building locations and their proximity to buildings to be removed are determined.

C. Streets and Parking

Modernization:

The Millkey & Brown Comprehensive Needs Assessment identified streets in need of repair. A visual survey of the area has determined that the assessment is still accurate. Very little repair is needed. As modernization occurs in the areas needing street repair, this should be completed.

Master Plan Implementation:

The Master Plan strives to allow front door parking for the majority of units. This will necessitate the addition of a great number of streets and parking spaces. Street and parking design will need to be in accordance with City of Dallas codes if maintenance is to be assumed by the City.

Front door parking is an important security concept of this master plan. Many opportunities for implementing this concept exist throughout the projects. However, the existing buildings are close enough to one another that parking and driving space between structures will require careful design. A preliminary assessment of the area between existing buildings has determined that the implementation of this concept will eliminate the majority of the existing yard area. This is an important consideration in the review of this master plan. Many residents have confirmed the Design Team's belief that front door parking is a necessary security measure. However, those residents who do not own automobiles are concerned about the nuisance of people sitting in and on their cars in front of another tenants unit. The assignment and regulation of parking spaces will be an important management issue.

After the true feasibility of parking and streets between specific buildings is determined and the desired amount of front door parking is defined, design of parking and streets for specific areas will be completed. The model areas to be constructed in the summer of 1984 will allow testing of this design concept.

D. Public Transportation

Master Plan Implementation:

The majority of residents of the projects and West Dallas are dependent on bus service as their only form of transportation. Along with the rearrangement of streets, reconsideration of city bus routes through the West Dallas community is needed. The proposed routes in the Dallas Area Rapid Transit (DART) Plan can be adjusted to follow the new roadways without disruption of intended service. Specific locations of bus stops will need to be examined in Phase II of this plan to assure coordination with DART service. New features on the Dallas Housing Authority site, such as the Town Center, will need to be incorporated into DART service.

With the re-population of the projects to full capacity of 10,000 to 12,000 people, there may be some justification for an internal mini-bus shuttle to link all the neighborhood squares with the Town Center and Town Common. This possibility will require further study.

E. Utility and Sewer Distribution

Modernization:

As described in the Existing Conditions Chapter, all of the utility and sewer distribution systems are in disrepair. Given their deteriorating condition they must be repaired or replaced before maintenance responsibilities can be assumed by the appropriate companies. Dallas Power & Light Company, Lone Star Gas Company and Dallas Water Utilities all have agreed to maintain their service lines after they are brought up to code. Therefore, the repair and replacement of these lines is an essential component of the initial modernization work.

The Comprehensive Needs Assessment determined that the electrical and distribution service is in extremely poor condition and must be replaced by an underground electrical distribution system. The existing system was not installed to DP&L codes. The entire system must be replaced.

Lone Star Gas has completed plans for the proposed gas lines funded by an emergency grant from HUD.

Sanitary sewer service has been the source of many problems and resident complaints. The poor condition of the lines is complicated by the lack of cleanouts. The installation of cleanouts will correct many maintenance access problems and allow maintenance to be assumed by Dallas Water Utilities. The water distribution service is lacking necessary cutoff and isolation valves. These need to be installed and existing damaged hose bibs should be replaced by frost-proof hose bibs. A few of the water mains are damaged and present continual maintenance problems. These also should be replaced.

Master Plan Implementation:

Adoption of this Master Plan should occur before any major improvements are made on utility or sewer service. The Master Plan should serve as a guide to all modernization efforts, assuring efficient implementation of the plan. Only Lone Star Gas has completed design of new service lines. The proposed master plan presents very few conflicts with the proposed gas lines (see Existing and Proposed Lone Star Gas Service, Technical Supplement). Design of service for the Town Center is the only area which will require additional design consideration.

F. Storm Drainage and Lake Improvements

Modernization:

Storm drainage is facilitated by the existing lagoon and Fishtrap Lake. Where necessary, drain inlets have been installed for street drainage. However, the majority of the site relies on surface drainage. The existing drainage is relatively successful and the Comprehensive Needs Assessment identifies very few drainage problems which require attention. The overall improvements which Fishtrap Lake must undergo to serve storm drainage on Dallas Housing Authority property and south of Singleton Boulevard can be implemented in conjunction with the Master Plan.

Master Plan Implementation:

In 1980, Howard Needles Tammen & Bergendorf completed a detailed study of the Fishtrap Lake drainage area. The Fishtrap Storm Drainage Improvements study area covers 702 acres and carries storm water runoff from the Missouri Pacific Railroad to the West Levee Sump of the Trinity River. The purpose of the study was to perform a detailed hydraulic investigation of alternative storm water drainage systems to provide adequate drainage for the 394-acre industrial area south of the housing projects and to collect storm water from existing and proposed storm sewers draining a 2,000 foot length of Hampton Road and 290 acres surrounding Fishtrap Lake.

The HNTB study includes four alternatives for the area south of Singleton Boulevard and four alternatives for the Fishtrap Lake area. The proposed drainage and design improvements in this eport incorporate the alternative recommended by HNTB for the area south of Singleton Boulevard (Alternatives B-2) and a variation on one of the alternatives described for Fishtrap Lake (Alternative A-3). A description of these two alternatives follows:

Alternative A-3: Dam and Open Channel

Alternative A-3 uses the existing capacity of Fishtrap Lake to reduce the peak discharge. A 107-foot long ogee weir overflow dam with a crest elevation of 403.5 would be constructed at the edge of Fishtrap Lake as shown in Figure III-2. The 100-year peak discharge over the spillway is 1530 cfs. A 60-foot wide grasslined channel with 1 on 4 side slopes conveys flood flows across the school playground to Kingbridge Street. A low-flow concrete pilot channel is needed in the grass--lined channel for bottom maintenance. Under normal conditions this channel is dry and should not pose a threat to students. A 140-foot long, 3-span, reinforced concrete bridge is required at Kingbridge Street. A 70-foot wide grass-lined channel with 1 on 4 side slopes carries the flow from Kingbridge Street to Bickers Street allowing the existing alignment of West Lagoon. Channel velocities for this alternative vary from 2.60 fps to 2.92 fps.

Although this alternative is much less expensive than other alternatives, it does not provide for an alternative playground area for the Jose Navarro Elementary School.

Alternative B-2: Concrete-lined Channel and 60-Inch Pipe

Alternative B-2 requires a 250-foot long, 3-barrel, 6-foot by 6-foot reinforced concrete box culvert from Fishtrap Lake to the south side of the Singleton Boulevard right-of-way. A channel, with the typical cross section shown in Figure III-3, parallels Fishtrap Road for 900 feet. The channel has a reinforced concrete lining with a 1 on 2 slope to a height of one foot above the 100-year water surface.

A 60-inch reinforced concrete pipe carries storm water from the proposed 51-inch storm sewer on Akron Street to Fishtrap Lake. This pipe lies within the channel right-of-way between Akron Street and Singleton Boulevard and it continues on the east side of the proposed box culvert to a common headwall with the culvert at Fishtrap Lake. The hydraulic grade on the 60-inch pipe is set at elevation 407.25 at the Akron Street junction box so that the proposed 51-inch pipe can carry Hampton Road's storm water. The pipe flow is independent of the channel flow which has a 100-year water surface elevation of 412.39, adjacent to the junction box at Station 47+10.

A 308-foot long, 3-barrel, 84-inch diameter, reinforced concrete pipe culvert extends from the open channel to the south side of the Missouri Pacific Railroad and Atchison Topeka and Santa Fe Railroad rights-of-way. The 210-foot length of culvert that is under the railroad tracks must be Class V pipe, placed by jacking and boring. The remainder may be Class III concrete pipe, placed by open-cut methods. The hydraulic grade at the south end of this culvert is elevation 416.24.

The proposed master plan calls for the redevelopment of Fishtrap Lake as a visual amenity as well as for drainage requirements. Implementation of the master plan will require regrading and shaping of the lake as well as the installation of landscaping, paths and recreation areas. The additional expense of these features is minimal considering the long-range benefits to all of West Dallas and the City.

As identified in the HNTB report, water quality in the lake is a problem due to industrial pollution and stagnation during drought. Before any improvements in the lake area are made, an extensive water quality analysis should be conducted. The lake currently is used by the majority of the area residents for fishing and any site improvements will attract even more use. Control and monitoring of industrial runoff must be addressed.

As noted in the HNTB study, the playground area directly adjacent to the Jose Navarro School is limited by the added drainage channel. However, the proposed Town Common will provide the school with additional recreation and play space and integrate school activities into the community.

IMPLEMENTATION

I. INTRODUCTION

Rebuilding the West Dallas public housing will require a major investment of effort and resources. The negative image of this concentration of housing and the poor public perception of the area must be reversed. In the process, residents must be challenged and motivated to preserve and protect the result. Historically, structural remodeling has not proven successful. New and far reaching concepts are essential.

Management and administration is as crucial as the physical design of the housing. This implementation process addresses the necessary management programs and development of the housing concepts will require innovative financing for both the public housing modernization and the home ownership programs. In addition, development of the Town Center and the Community Campus will provide a unique opportunity for partnerships between public and private funding sources.

II. MANAGEMENT/ADMINISTRATION RECOMMENDATIONS

The long-term viability of the West Dallas revitalization program is related directly to successful innovations in management and program administration. The critical management issues to be considered and incorporated include:

- The role and responsibilities of residents in program management and administration.
- Design of a resident selection process that accomplishes program objectives and complies with Housing Authority policy and regulations.
- Program management related to the key issues of security and maintenance.

The above issues must be part of a carefully designed program worked out by resident leadership and the Dallas Housing Authority. This program should be viewed by all involved as an opportunity to test new ideas and approaches to management and administration. The concepts which succeed could be applied to other properties of the Authority. Not all new approaches will work and the early phases of the process must be monitored carefully so that adjustments or corrections may be made on an ongoing basis.

The resident surveys support the belief that management innovations can be developed. More than two-thirds of the residents have lived in the public housing more than five years and the overwhelming majority (437 of 445 surveyed) wish to stay in the rehabilitated homes. Thus, residents have experience with housing and neighborhood problems required to make meaningful contributions to planning as well as personal desire to stay and implement the program.

The management-related issues revealed in the survey process were:

- security concerns and need for patrols;
- exterior property maintenance;
- improved washer and dryer facilities;
- fences for individual properties;
- convenient shopping; and
- tenant selection.

These concerns should be addressed in a management plan developed by a joint resident/DHA committee. A four-phased approach is recommended:

1. Review management and administrative issues.
2. Review the experience of other residential complexes (private and subsidized, local and national).
3. Identify alternative approaches for our programs.
4. Finalize recommendations and program.

The management administrative issues to be addressed include the roles and responsibilities of residents and the resident selection process.

The residents' role may be viewed at two levels. At the policy level, resident input is important in designing the program, including the selection of physical design and tenure alternatives. This resident policy role is most important at the beginning of the process and would be the function of the joint resident/DHA committee described earlier. Once all initial decisions are made or problems are addressed, active policy participation is no longer critical. Thus, the policy planning activity would take place primarily during development of the first phase of the modernization program. Eventually the residents' policy role would be to monitor the program's activities and respond to problems that may arise.

The Dallas Housing Authority should continue to work with the existing resident councils to develop a mutually agreeable, post-modernization selection procedure. Strict screening of residents for both new and existing housing types will be critical to the success of the DHA's first phase efforts. High quality housing units proposed will generate strong demand and the Authority must admit only suitable residents and buyers.

The selection process should reward responsible residents. Criteria for resident selection should include at least the following elements:

- Essential legal and regulatory requirements including the DHA Admissions and Occupancy Policy.
- Rent payment history.
- Housekeeping practices.
- Yard maintenance.
- Income levels (possibly).

Management, maintenance and security aspects of West Dallas public housing revitalization must be well reasoned. The formal plan should include goals and objectives, alternative approaches, specific responsibilities and roles of the Authority and tenants, and a decision about approach should be implemented first.

Security must stress the "neighborhood watch" role of the residents. A cooperative understanding must be built and nurtured between police and residents. The entire modernization program must reinforce security in lighting, physical layout and landscaping. It is suggested that the DHA experiment, within its budget constraints, with innovations such as an intercom system.

Similarly, maintenance must be related to physical change and innovations, laundry facilities and dumpsters for example, and must place some of the responsibility on residents.

III. HOUSING CONCEPTS IMPLEMENTATION

Based on the overview assessment of the West Dallas neighborhoods, the results of the two surveys and the design team's understanding of low- and moderate-income housing, recommendations have been formulated for the strategy and tenure of the aggregate units in the three separate housing projects. Currently, more than one-third of the apartments in the West Dallas housing projects are vacant because they are uninhabitable and boarded up.

The following table shows a percentage range for the target breakdown of tenure type: public housing, Section 8 rentals, market rate rentals and ownership options.

TENURE MIX

Housing type	Overall (3,358 units)	First Phase
Public housing	40-60% (2000 units)	45%
Rental: Below market	10-20% (400 units)	10%
Rental: Market	15-20% (500 units)	10%
Ownership Options:	15-20% (500 units)	35%
Sale		
Lease/option		
Coop		

- Public Housing (40%-60%) - Many of the problems that now exist in the West Dallas projects have been created by the very high number of public housing families that have been clustered into one neighborhood. The objective/goal of creating a variety of housing types will create a heterogeneous neighborhood so that the area can become more stable and normal. This entire strategy has been directed toward maintaining, but enhancing, housing opportunities for low- and moderate-income families. As many units as is feasible should be changed to some category other than subsidized public housing. The more units of this type in the final mix, the more difficult it will be to successfully carry out some of the other concepts. It may be politically realistic to target about 50% of the units to remain as public housing rentals. This would actually be only about 400 fewer rentals than currently exists.
- Below market rentals (10%-20%) - These units are not dissimilar to public housing rentals, except that the subsidy is provided to the units and not to the tenant. Residents selected must meet regional income requirements, and must pay a certain portion of their income as rent. This ensures an amount of stability as the tenants have an income and, although they cannot pay what would have been a market rent, they contribute significantly to their housing cost. It is recommended that the Housing Authority target the proportion of below market units toward the high end of the proposed range.
- Market rentals (15%-20%) - These units could be the most difficult to incorporate into the overall plan, and the DHA may realistically be able to achieve only about a 15% share. However, they are nearly as important as the owner housing in creating neighborhood balance and stability. The proposal of these units can be justified by the fact that about 1,200 (one-third) units in the projects are now vacant and some could be market rate when they are restored. It's projected that if the rent levels in these units are comparable to those in the surrounding neighborhoods, demand for them will be strong; the apartments will be of better quality and the environment as attractive as the competition. This could also have the spinoff benefit of encouraging private landlords to better maintain their units.
- Ownership Options (15%-20%) - As we noted earlier, the demand for owned units could be high enough to warrant designating as much as 50% of the total for this type of tenure. However, many of those interested would not qualify for ownership. Historically, ownership brings pride, maintenance and stability to an area. As many units as can be financially justified for ownership should be implemented.

IV. MAGNITUDE OF COST

A. Phase I

In Phase I the goal is to bring site features and utilities and infrastructure into code compliance and to modernize public housing units to restore safe, sanitary and decent living conditions. Costs and revenue sources have been divided to show three potential governmental participants. In support of the physical modernization program, DHA will need to initiate whatever legal, administrative and management steps are required to develop a financing mechanism that will allow for the tax exempt financing of the various types of housing proposed in this plan. Possibilities include cooperating with the City of Dallas' Housing Development Corporation (upon its formation), pursuing designation of the DHA as the housing development corporation for the West Dallas project area, and attempting to have the state law amended to allow housing authorities to provide financing for properties of the type required by this plan.

Obviously, building on DHA owned land and capitalizing on the Authority's non-profit status will help to provide modern facilities for various federal, state and local governmental offices serving the West Dallas area. At this time, these offices occupy leased facilities scattered throughout the projects. An office building complex located in the Community Campus near the Town Center would be the most appropriate site.

FEDERAL RESOURCES

The West Dallas Design Team assumed that the federal government, through the Dallas Housing Authority, will fund the major part of public housing modernization. The Comprehensive Improvement Assistance Program (CIAP) will be the basic resource for housing and site improvements.

Based on needs assessments, the following cost estimates reflect essential steps to bring the basic DHA housing and site elements up to standard.

HOUSING/SITE MODERNIZATION SUMMARY

o Grounds/Site Improvements	
Lighting/Dumpsters/Pedestrian Crossings	$ 1,293,280
Utilities/Drainage	4,495,770
Landscaping	876,960
Streets, Parking (Repair)	32,000
o Housing Modernization	$32,415,400

The investment of federal funds during this modernization phase will result in:

- All housing units which will remain conventional public housing would be upgraded to modern, safe, sanitary and decent condition.
- Site facilities such as permanent landscaping, security lighting, utilities, drainage and streets would be improved to a serviceable and attractive state.

STATE RESOURCES

The first phase of the West Dallas projects rebuilding process does not anticipate a direct site or construction cost contribution from the State of Texas. The involvement of state agencies will be:

- Leasing of office space by the various agencies serving the West Dallas area in offices in DHA buildings.
- Support for legislative changes necessary to provide the redevelopment authority powers to the DHA for master plan development.

LOCAL RESOURCES

The City of Dallas must play a major role in Phase I street and drainage projects, park and recreational facilities and public safety.

The City's first major step, would be acceptance of the public street system and initiation of certain street/drainage improvements. The recommended repairs, overlays and traffic signalization projects would apply only to streets which remain in the implementation of the final master plan. These costs, particularly for local storm drainage inlets and similar repairs, should be shared by the Dallas Housing Authority using HUD funding under the Comprehensive Improvement Assistance Program (CIAP).

The Dallas Parks and Recreation Department operates and maintains recreational facilities such as swimming pools, open field recreation areas and lighted ball fields in West Dallas. Under modernization, most of the present facilities would continue.

The following table shows activities and general costs to the City of Dallas.

SITE IMPROVEMENTS - MODERNIZATION SUMMARY

o Street Improvements	$180,000
o Drainage Improvements	85,000
o Traffic Signage/Control	40,000

The City of Dallas has opened a police office staffed by five officers, and plans expansion to twenty-one officers. The office is located in a renovated DHA apartment building at the extreme north side of Edgar Ward Place. During Phase I, this operation should be relocated to the proposed DHA-constructed building in the Community Campus to be more centralized and have greater visability.

PRIVATE RESOURCES

The principal role of private enterprise in rebuilding the West Dallas Community will be to fill the retail, office and employment needs. With increased numbers of families in the area and more families with higher disposable incomes, there will be an increased market for retail and office establishments. Long term leases of land rather than land purchases, would reduce initial construction costs of privately owned buildings.

Recent market analysis shows several unmet demands in the area. One need is a small bank for direct deposit of benefit checks to curtail theft of mail. Such a bank would serve the total West Dallas area.

Another need is a cafeteria or restaurant. The surrounding industrial areas and employment centers now lack adequate breakfast and lunch establishments.

Other privately operated service facilities--such as beauty and barber shops--are not located within the housing area. This opens additional private enterprise opportunities.

Privately operated locations for banking, office, retail and personal services should be placed near the Community Campus.

FIRST PHASE TOWN CENTER

Bank/office building - 10,000 sq. ft.	$500,000
Retail building - 5,000 sq. ft.	300,000
Site Development (parking, walls, etc.)	125,000

FIRST PHASE GOVERNMENTAL CAMPUS BUILDING

Site Development	$ 150,000
Building Construction (20,000 sq. ft.)	1,100,000
Design Fees/Contingencies	185,000
Total Building Cost	$ 1,435,000

B. Phase II

Some elements of the present plan could change in detail as it is implemented.

GOVERNMENTAL RESOURCES

In Phase II, the Dallas Housing Authority continues to be the basic provider of West Dallas public housing units. The funds for demolition, construction, modernization and rental assistance for public housing originate with the U. S. Department of Housing and Urban Development (HUD).

The West Dallas Design Team master plan provides locations for two mid-rise elderly housing developments to supplement existing Special Purpose Housing areas. The Section 202 program would allow the opportunity for a private-public joint venture to provide this elderly housing.

New housing opportunities for individual ownership also are depicted in the Phase II plan. The owner-occupied units consist of in-fill housing and redeveloped on-site structures. The in-fill housing would be moved in from other parts of the City, set up on DHA-owned land, rehabilitated and sold to low and moderate-income families financially capable of making mortgage ($400±/month) payments and handling other ownership costs.

Other ownership possibilities would be provided by redeveloping the DHA's vacant, boarded up apartments. These units should be modernized and an apartment/coop ownership asssociation developed. Through DHA ownership of the land, they would be sold only to low and moderate-income families. The coop buildings should be modernized to include carport/garage and fenced private yards, with maintenance handled under contract with the DHA.

MASTER PLAN HOUSING DEVELOPMENT

Building demolition (for site improvement purposes)	$ 1,051,500
Relocated Additions and New Public housing units	22,968,000
Elderly public housing (mid-rise)	4,848,000
In-fill single family units - for sale	3,300,000
Remodeled coop units - for sale	2,800,000

The incomes derived from the single family in-fill and coop units would offset unit development costs, according to West Dallas Design Team research.

Other master plan features which will require federal resources are the privately funded Town Center, Community Campus and recreational portion of Fishtrap Lake. These costs should be considered "seed money" to encourage further private investment. The proposed facilities and general cost estimates are shown in the following chart.

MASTER PLAN SPECIAL AREA DEVELOPMENT COSTS

o Town Center		
Streets		
Parking/walks		
Landscaping		
Utilities		
		$ 3,000,000
o Community Campus		
Streets		
Parking/walk		
Landscaping		
Utilities		
		$ 1,500,000
o Neighborhood Centers (9 each)		
Building (2,000 sq. ft.)		
Open Space/Recreational Area		
Walks/landscape		
	140,000 x 9 =	$ 1,260,000
o Fishtrap Lake Recreational Area		
Lake fill/bank stabilization		$ 350,000
Landscape/grass		200,000
Walks/Amphitheater		500,000

The Master Plan proposes a major change in the internal street system to increase security, provide nearby parking, allow a conventional house numbering system and increase mobility throughout the area. An additional system of streets built between existing housing units will enable the front doors of the units to face out on a street. The street will provide parking on both sides, two travel lanes for uninterrupted traffic flow and four foot sidewalks along both sides of the street.

The costs for construction of the additional street system and associated storm drainage improvements should be shared by the DHA and the City of Dallas. A possible source to pay for the project improvements is tax increment financing, in which the increased tax revenue generated by housing sales and commercial development is designated for physical improvements.

The City's portion of the cost should use future general obligation bonds with payments partially offset by increased tax revenues (general sales tax, personal property, etc.) by the reuse of presently vacant housing units and the influx of more moderate-income families.

MASTER PLAN STREET/DRAINAGE COSTS

o	New/redeveloped streets	$ 5,787,500
o	Sidewalks	464,000
o	Storm drainage	750,000
o	Signage/traffic control	180,000
o	Fishtrap drainage improvements	1,817,000
o	Recreational/landscape	1,500,000

Other master plan site uses without cost assignment at this time include:

- Dallas Area Rapid Transit (DART) station(s)
- Additional public buildings
- Internal transit systems
- Child and elderly care facilities
- Revised educational facilities
- Community center facilities

PRIVATE RESOURCES

The Master Plan requires the private sector to play a major role in the rebuilding process. Realizing that private enterprise must be profitable and that the West Dallas community has a limited market, special relationships and incentives between the public and private sectors must be developed. Public entities should provide assistance in developing site facilities and private enterprise should provide services.

o Town Center - The Dallas Housing Authority must assist private businesses by providing land, utilities, thoroughfares, parking and landscaping for the Town Center. This concept is not unlike typical shopping center satellite sites, except that private enterprise can build the facilities to suit more specialized needs. The West Dallas market area can absorb approximately 40,000 to 55,000 square feet (i.e. 35,000 to 40,000 square feet retail and 5,000 to 10,000 square feet for office) cf commercial building space over the long term of the master plan implementation. The method of constructing a shell building of a particular architectural type with tenant completion as the space is leased, may be used. Either a single developer or series of developers could participate in the development of such a Town Center complex.

o Employment Center - An area has been set aside along Singleton Boulevard near the Town Center for long-term land lease to be used in construction of duplex/quadplex buildings to house smaller warehouse/light industrial employment centers. Examples of such uses are plumbing shops, electrical repair, cabinet shops and small (3,000 sq. ft. ±) warehousing facilities. Careful control would be required so that outside storage is screened, off street loading is in rear areas and landscaping is required to maintain an attractive employment area. Such an employment center would provide job skills training and skills enhancement.

Similar to the Town Center concept, the Dallas Housing Authority would provide the basic utilities, streets, parking and landscaping, while private enterprise would provide buildings and any special loading/unloading areas.

The Dallas Housing Authority should use several financial resources for construction of the basic utilities, streets, parking and landscaping, such as income from leased land, industrial bonds (with DHA acting as the development authority) and revenues from sale of apartment coops.

V. FUNDING SOURCES

A. The Matrix

The following matrix shows a fairly comprehensive list of funding sources which could be used in the overall rebuilding effort by the Dallas Housing Authority. The funding sources have been categorized into groups:

HUD Housing Programs
City of Dallas Programs
Housing Authority Funding
State of Texas Programs
Other/Miscellaneous

Many of the sources shown on the matrix will ultimately prove to be only secondary opportunities. However, an innovative combination of sources will be necessary to enable the DHA to implement a successful program.

Funding for the specific types of projects identified in the proposed master plan are divided into three categories, shown on the following matrix with the folowing symbols:

● Primary funding sources which are likely to be available and have (or could easily have) the legal basis for the proposed project.

◑ Secondary sources less likely to be used as a result of funding availability, policy considerations or regulation.

○ Possible, but unlikely sources of funds.

USE OF FUNDS

FUNDING APPLICATIONS

	HOUSING PROJECTS	Public Units Modernization	Section 8	Co-op/Condominium	Relocation (Move In)	New Construction	INFRASTRUCTURE	Streets	Sewer/Water	Parking	Lake	ECONOMIC	Town Center	Industrial	MISCELLANEOUS	Resident Relocation	Management
HUD PROGRAMS																	
Public Housing		●						●	●	●						●	●
Section 8 Existing			◑	◑													
Section 8 Modernization Rehab				●													
Section 202 Elderly						●											
Rental Rehabilitation Demonstration			●	●													
Housing Voucher Demonstration			◑	●													
SOURCES OF FUNDS **City of Dallas**																	
Urban Development Action Grant				◑		◑				◑			●	●			
Community Development Block Grant		●	○	◑	●			●	●	●			●	●			
General Revenue		○	○	○	○			◑	◑	◑							
Tax Increment Financing			◑	◑	◑	◑		●	●	●	●	●	●	●			
Industrial Development Bonds						●							●	●			
Housing Development Corporation Bonds						●											
IOB					◑			◑	◑	◑			●	●			
Housing Authority																	
Tax Exempt		●		◑	◑	●							●	●			
Revenues (Improvements)		●	●	●	◑	●		●	●	●			◑	◑			
Revenues (Rent/Subsidy)			●	●	●	●											
Syndication Proceeds		●	●	●	◑	●											
State of Texas																	
Housing Agency Bonds				●													
Veterans Subsidy				●													
Department of Agriculture													◑				
Source of Funds (Other)																	
Environmental Protection Agency											●						
Economic Development Administration													●	●			
Small Business Association													●	●			
Business/Corporation Grants			●	●	○	◑							●	●			
Rental Income (Commercial)		◑	○	◑	●	●		○	○	○	○		●	●			
Conventional Mortgage		●		◑		●		◑	◑	◑							
Conventional Mortgage				◑	◑	◑											
Churches		◑	◑	◑	◑	◑											

B. HUD Housing Programs

The central HUD office has indicated that CIAP funds (Public Housing on the matrix) may be used not only for modernizing units that will remain in public housing, but also may be applied toward the renovation of units that will be turned over to tenants forming a coop. The law permits this and the regulations governing the use of funds are now being processed by HUD. Public housing mad dollars could be also targeted for general improvements such as streets, sewer/water and parking as well as management and tenant relocation during modernization.

Two Section 8 programs are possible funding sources, but Section 8-existing is not extremely feasible at this point in time. To illustrate this, the rent subsidy under this program is about $350 in Dallas. About 55% of this must be used for operations; the remainder is available for development costs. If $17,000 is targeted for rehab using tax exempt financing only $12,000-$13,000 would constitute actual construction. This amount is not likely to be adequate on a per-unit basis in West Dallas.

- Section 8-Moderate Rehab. Moderate Rehab funding may be used only if the units are sold. However, because by law the DHA is to competitively select developers for this program, the sale of their own units may be seen as a conflict of interest. In addition, moderate rehab monies are not supposed to be applied to units that have had a subsidy within the last year. A waiver would be required for this particular use. The sale of units to a developer with a Moderate Rehab contract (and his subsequent syndization of the units) would generate $10,000-$15,000 in cash for DHA.
- Section 202-Elderly. This is a funding potential that should be pursued. The DHA must, of course, locate a sponsor to develop the elderly units. However, because West Dallas is classified as an impacted area, the DHA must obtain a waiver. We believe this could be obtained in light of the overall program that is planned.

- Rent Rehab Demonstration and Housing Voucher Programs. The rent rehab demonstration and the housing voucher programs are relatively new and the regulations are not yet completed. The rehab program requires that the units be sold. The City of Dallas would be given a grant of $15,000 (or $18,750 in high cost areas) as a capital contribution for each unit. This amount will cover capital costs and it must be matched locally from private contributions, CDBG, or conventional mortgage. The second element of federal contribution is a rent voucher. The problem with this portion of the program is that the certificate goes with the tenant. If he/she moves, so does the voucher. Therefore, the unit could not be totally dependent on the subsidy. Even if public dollars covered a substantial portion of the per-unit rehab costs in West Dallas, a private owner must still be able to pay the unit operating costs if a subsidized tenant moves. The costs might be a little tight to do this effectively.
- Housing Development Grant Program. One more new program which is not on the matrix should be discussed. It is the Housing Development Grant Program. The law allows a $50,000 per unit capital grant, although we believe that HUD policy may limit this to $10,000 per unit. Legally, this capital contribution for housing development could be tied to Section 8 moderate rehab and so that the tenant has an ongoing subsidy to cover operating costs and debt service while this 'corrupts' the intent of the law, the law does not prohibit this.

C. City of Dallas Programs

These programs offer funding from a variety of sources but they are administered by City staff and the use of money is established in part by City policy. These include:

- Urban Development Action Grant. This is a HUD program which is designed to encourage economic development. Private investment is always required to leverage the public monies, but a wide variety of activities could be permitted. For example, if private development occurred in the Town Center, the funds could be used for construction or for infrastructure. For housing projects HUD guidelines require $2.50 of private dollars for each $1 of UDAG and they are reluctant to use the funds for housing projects which will get a subsidy.
- Community Development Block Grant. These monies can be used for almost any economic development or housing project. For housing, they are likely to be considered for private housing rehab; for example, a condo owner may be eligible for a low interest rehab loan. The housing move-in concept may also be feasible for funding. Because West Dallas is a pocket of poverty, CD funds may be targeted for infrastructure or economic development needs identified by DHA.
- General Revenues. City revenues could be used for almost anything. Infrastructure and security needs are the likely items these funds would support.
- Tax Increment Financing. The incremental taxes generated by new development must be adequate enough to repay the bonds issued to finance projects that encourage or complement new private development. If the tax district boundaries are drawn wide enough, even public housing could benefit from TIF improvements. However, commercial development is the most likely activity for this type of bonding.

- Industrial Development Bonds. These bonds are issued to private firms and the issue is based on the credit ranking of each individual firms. Thus, private retail or industrial businesses could be eligible for this below market financing as long as their business proposal is considered viable.
- Housing Development Corporation Bonds. These are a potential for below-market financing for new housing development. At this point, such a corporation does not exist in the City of Dallas and must be incorporated under State law before these funds can be considered an available source.
- Section 108. The City of Dallas can borrow against its future CDBG entitlements in this HUD program. Funds must be repaid, but the monies can be applied toward a variety of activities that are essentially equivalent to those allowed under the CD regulations.
- 312 Low Interest Loans. (not shown on the matrix) These are a possible source of rehab funds. They are given to private entities on a sliding scale of 1-9% interest, based on the mix of funding and the borrow. (For example, eligible homeowners can get 3% loans.) These might be feasible for owner occupied condo or move-in units in which the owner was to pay portion of the rehab costs. Until the West Dallas area substantially upgrades, new owners of DHA units are not likely to be able to afford these loan costs.

D. Housing Authority Funding

- o Tax Exempt Bonds. These bonds would be legal for almost any use that would enhance low and moderate income housing in West Dallas. Texas law is quite flexible. However, the bonds must be repaid by the DHA revenues or directly from the revenues of projects financed by the bonds. They must be used judiciously so as to not negatively impact the DHA credit rating.
- o Sale or Lease of Property. The DHA could receive revenues from the sale of other public housing projects, from the sale of some West Dallas units, or from lease income on future commercial or industrial in West Dallas. These monies could legally be used for almost any housing or housing-related activity. Commercial activities must be further evaluated under the existing laws. Likewise, revenues could provide rental subsidy for a Section-8 type program for each of the housing alternatives proposed.
- o Syndication. The syndication of West Dallas units was described earlier. Another source of funds would be the syndication of new construction or substantial rehab Section 8 developments now owned by the DHA. The issue here is an IRS legality as to whether or not HAP contract be transferred to the new owner.

E. State of Texas Programs

These programs generally appear to be a useful tool in the future when West Dallas has been upgraded. The Housing Agency Bonds and the veterans subsidy both provide below-market financing for home ownership. These could be used for purchased homes or condos, but the interest costs (typically 8-10%) are far too high for current DHA residents (and probably those in surrounding neighborhoods) to be able to afford the monthly cost if the units are to be sold at an approximate market price. The Department of Agriculture has indicated a willingness to help establish a food coop or farmers market concept. State recreation or environmental sources should be investigated for potential use in cleaning up Fishtrap Lake.

F. Other Sources

The remaining sources of funds are a variety of public and private programs. They include:

- Federal Programs: Environmental Protection Agency, (EPA), Economic Development Administration (EDA) and Small Business Administration. EPA funds may be suitable to clean up Fishtrap Lake. EDA funds are possible for West Dallas because the area has been designated a pocket of poverty under the UDAG program, however, it has not been designated a certified redevelopment area under EDA criteria. Approval of EDA funds is typically on a project-by-project basis and the agency requires at least a 40% matching local share. A wide variety of job-generating development projects could win approval. The only elements of the DHA plan that appear to qualify would be Town Center and industrial development. The current EDA director has put a top priority on Title 1 infrastructure proposals. In addition, the agency offers loan guarantees. SBA programs provide below-market financing or guarantees to small businesses which meet their criteria.
- Private Sources of Investment. Developers could become involved in either housing or commercial development. the level of corporate grants will depend on how the DHA West Dallas can be sold to them. It should be sold as a community involvement/community investment concept. The housing authority may find that some corporate investment results from technical assistance--that is, development packaging, management assistance or labor training. Conventional financing is always a potential source of funds. Another program (CDBG, UDAG, EDA, SBA, etc.) might be used to make conventional loans more affordable.
- Churches. Although they are typically strapped for money, some churches and religious orders have expressed a great deal of interest in promoting housing for low/moderate income people and the elderly. Perhaps their best financial input could come about as a result of their cooperative involvement in management, either for the DHA or a syndicate.

G. Conclusion

As can be seen, the funding sources could become complex and exotic. Some are most suitable for later phases of the modernization program. Initially, the DHA must take the most suitable funding (basically the variety of HUD programs) and package them into a well-planned, well-developed, well-managed development program that deals with the issues and the people that are in West Dallas today. A successful first phase will set the stage for further involving the private sector, churches and other federal agencies in ongoing housing development and economic development activities.

VI. FUNDING STRATEGY

Development concepts	Approximate mix first phase (%)	Projected development mix (%)	Projected funding	Comments
Public Housing	45	40-60	CIAP Syndication proceeds CDBG Section 8 - refinance/ sales proceeds	Stabilization and upgrading of the public housing units is a top priority for DHA investment. The majority of the first phase effort is being targeted toward improving the environment of people now living in West Dallas projects. It is crucial that top quality rehabilitation, design and management be part and parcel of this program to ensure long-term viability.
Rental: Section 8 (subsidized non-public)	10	10-20	Section 8 - Existing Rent rehab demo Housing voucher	Section 8 rental units can be implemented through a variety of existing and new HUD programs: Section 8, the Rent Rehabilitation Demo and Housing Voucher program. This option allows moderate income households to stay, in their neighborhood, and have other options in addition to public housing.
Rental: Market Rate	10	15-20	Syndication proceeds Housing Development Grant UDAG Housing Development Corporation	Market rate rentals would be owned by private buyers/syndicators who would be required to provide rental housing consistent in price with other West Dallas neighborhoods. Related infrastructure improvements could be financed from the syndication proceeds to DHA. New units could be financed in part from the new development Grant. Market rate units offer a chance to diversify the household character in the target area.

Development concepts	Approximate mix first phase (%)	Projected development mix (%)	Projected funding	Comments
Ownership options: Sale Lease option Coop	35	15-20	CIAP Section 8 - Mod Rehab Rent Rehab Demo	Ownership options are probably best accomplished with a coop concept--or a lease with an option to buy. A coop ownership would qualify for Section 8 Moderate Rehab funds and could allow DHA to retail a role in management to ensure that the development maintains high quality standards. Ownership in the first phase of moderation sets the stage and alerts the community that DHA is making substantial changes in their low/moderate income housing philosophy. During the implementation phase, DHA will explore innovative ownership approaches as well as necessary accompanying administrative or legislative actions. Ownership also builds in pride on the part of tenants.
Town Center	(10,000-40,000)	Section 202 Elderly Housing plus 50,000 square feet of commercial	Section 202 UDAG CDBG EDA TIF	Town Center must build on the strength of existing private commercial development. Its success will ultimately depend on private participation and creative financing. Early occupancy will be dictated by a limited market, but could include some retail offices, a restaurant and some limited service bank. Office tenants may be largely public sector in the first stage.

VII. LEGAL ISSUES

The key legal issues that must be resolved before any of the ownership concepts are implemented are: who is allowed to buy; to whom does the property revert in case of default and how are prices and profits established.

Given the previous input from community groups, as long as the units are in private ownership they must be purchased by low- and moderate-income buyers, whose incomes could rise over time without any risk to the ownership agreement. Profits probably should be tied to an index of property values for homes throughout West Dallas, so that no windfall profits are envisioned. Finally, the equity build up should be a function of the original down payment. These issues must be further detailed before implementation.

A. State Law

The state law is very liberal in its definition of what activities can be carried out by a public housing authority. The key mission of the DHA, under the law, is to provide housing for low- and moderate-income households. However, there is no state definition as to what incomes are considered low and moderate. The Authority is permitted to establish appropriate rent levels for its properties. The law also authorizes the DHA to create and experiment with new solutions to the housing problem; and it gives the Authority whatever powers are required to accomplish its mission of solving the housing problem for persons of low income -- even if the powers are not now defined in the law.

Under the state law, the DHA has stated powers for the following activities that may be part of a West Dallas strategy:

- Develop, lease, improve, alter and operate housing projects.
- Own and improve real or personal property; purchase, lease, exchange or dispose of property.
- Invest reserve funds in property and securities in which savings banks may legally invest.
- Acquire property by eminent domain.
- Issue bonds for any of its corporate purposes; bonds may be comparable to revenue bonds or general obligation bonds (that is, paid from general DHA revenues).
- Mortgage its real property.

The Texas law stipulates that a public housing authority must be non-profit. All profits must be used to provide housing. Certain regulations exist concerning the financing instruments that may be used. For example, Section 103 tax-exempt bonds can only be used to finance what the DHA owns, and Section 11(b) bonds must be used entirely for Section 8 and cannot be used for Section 8 Moderate Rehabilitation.

One final aspect of Texas law should be discussed. The establishment of a housing development corporation (HDC) is allowed by law. In Dallas, an HDC does not currently exist; however, the City and some of the subcommittees on the Mayor's Task Force on Southern Dallas Development have proposed that one be established to improve housing opportunities in South Dallas. The Dallas Housing Authority could be designated the HDC and could use tax-exempt bonds under Section 103 of the Internal Revenue Code. This designation could facilitate some of the ownership and rental options that were described in the previous section.

B. Federal Regulations

Federal regulations, both tax law and HUD regulations, ultimately will affect innovative concepts that could be tried in West Dallas. One factor is the relationship between HUD and the DHA regarding the Annual Contribution Contract (ACC). The per-unit amount owed for both the mortgage and the previous rehabilitation projects, as well as the interest rate, will affect the terms and the feasibility of some of the ownership concepts outlined earlier.

The federal tax code also will affect the feasibility of projects in which private developer investment may be pursued. For example, the Tax Reform Act of 1983 denies the 15-year ACRS (accelerated depreciation) for projects that are financed with tax-exempt bonds, as well as projects which have a tax-exempt lease(e.g., sale-leaseback to public bodies). Additionally, there is some question concerning what coops can claim as expenses.

VIII. MODEL SITE SELECTION

Many of the design concepts and potential funding sources described in this report are new to public housing. As noted previously, the implementation of this master plan will require support from a variety of sources. To demonstrate the master plan concepts to all interested parties, the design team recommends that a model site be used as a test area. Such a model will allow the Housing Authority, the residents and the rest of the City to see immediate modernization progress as well as invite comments and observations. This experimental development is crucial to the implementation of the master plan. Its success will dictate the work to be completed in future phases of work.

A. Selection Process

The design team has selected a group of twenty-four buildings to be developed in the model area. They are located between Goldman Street, Pritchett Street, Applegrove Street and Leath Street. This area was selected after careful evaluation of the following criteria:

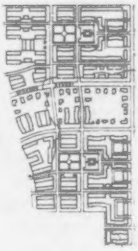
- Visibility. Located north of Pinkston High School, these buildings are bounded on the east by open fields and Hampton Road. The high visibility of this area will allow maximum exposure to the rest of the West Dallas community as well as the entire City.
- Present occupancy rate. Currently, 135 of the 633 units are vacant, 82 are 1/3 or less occupied, 112 are ½ or more occupied and 304 are totally occupied. This mix will assure minimal displacement of residents during construction and provide the opportunity for the best use of existing structures.
- Variety of unit types. The model area will provide construction of the widest possible variety of new building types. Each of the building design concepts and tenure types illustrated in the Master Plan section will be tested.
- Construction cost. The model will also provide the opportunity for construction at all four amenity levels, including remodeling and new construction. Cost efficient implementation of the design can be facilitated through relocation of existing structures within the model area.
- Accessibility. An important criteria in evaluating the model area is accessibility to community facilities, new and proposed. The model area is located central to existing education facilities (Pinkston High School, Sequoyah Junior High, George Washington Carver and Jose Navarro Elementary Schools) and recreation facilities (Elmer Scott Place Community Center, Playfields and Fishtrap Lake). The area is also adjacent to the current offices of the Texas Department of Human Resources.
- Long term plan potential. Implementation of the master plan adjacent to this area will provide social service agencies, professional offices, retail development and employment opportunities directly accessible to the model site. The model housing can provide stimulus for construction of the Community Campus,.Town Center and Fishtrap Lake developments.
- Test of design elements. The model area will allow testing of design concepts before a rebuilding of the entire site is undertaken. The concepts of front door parking and streets and the creation of defensible space will be particularly important in this area. Development of architectural details for modernization expansion and new construction will be completed, providing a standard for future construction.
- Resident relocation potential. The existing occupancy patterns and building configurations will allow efficient relocation of residents during the modernization and new construction.

B. Model Site

The selected model site will involve 633 existing units. Demolition or relocation of 20 buildings (160 units) will be required for implementation of the Master Plan on the model site. In addition, 148 new or relocated units will be required. These will be accompanied by the construction of a subneighborhood center and adjoining greenspaces. The individual moved-in homes indicated on the plan have not been included in the following tabulations. Implementation of the entire Master Plan will provide more units than are currently available. However, implementation of the model site area by itself will require the loss of twelve units.

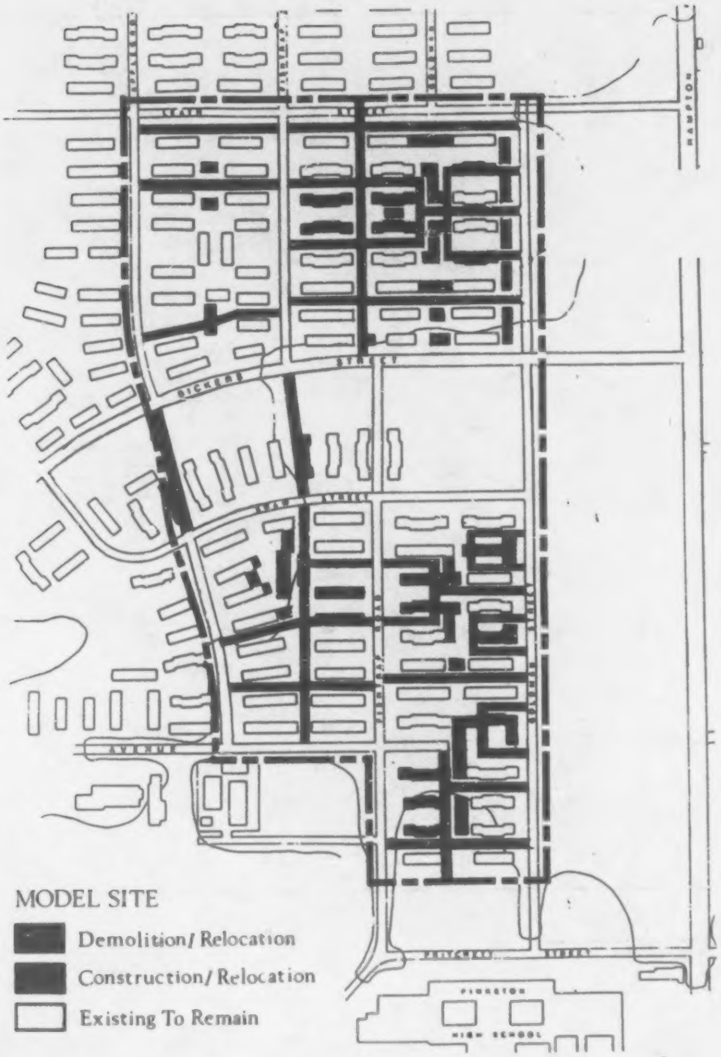
Recommend Percentage	Tenure Type	Existing Units	Recommended Units	Actual Units	Actual Percentage
45%	Public Housing	633	285	306	49%
10%	Below Market Rentals	0	63	52	8%
10%	Market Rentals	0	63	50	8%
35%	Ownership	0	222	213	35%
		633	633	621	100%

The model site has been divided into four sections: A, B, C and D. Initial construction will begin in Section A. This area is solely composed of public housing units, allowing immediate alleviation of current housing conditions. The additional tenure types will be introduced as appropriate.



MODEL SITE LOCATION

A REBUILDING OF THE WEST DALLAS HOUSING PROJECTS
A Report Prepared for the Dallas Housing Authority by
Peterson, Littenberg Architects   Real Estate Research Corporation
Carter & Burgess, Incorporated   Selzer Associates / Selzer - Volk - Borne


HAMPTON
DICKERS
STREET
AVENUE
PINKSTON
HIGH SCHOOL
MODEL SITE
Demolition/ Relocation
Construction/ Relocation
Existing To Remain

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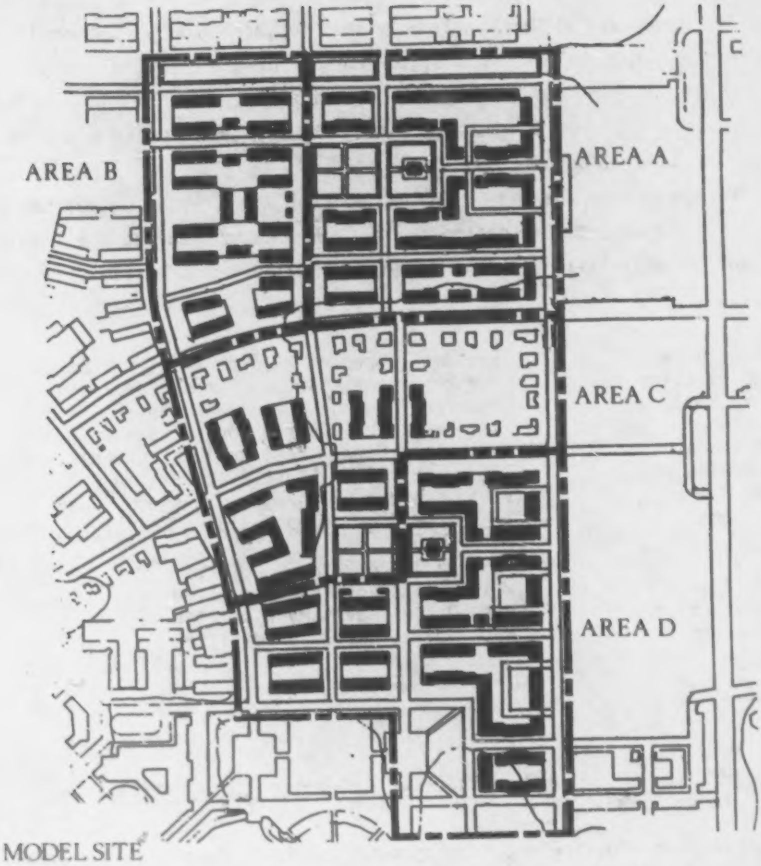
AREA A
AREA B
AREA C
AREA D
MODEL SITE

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The West Dallas Design Team wishes to acknowledge the assistance provided by the Dallas Housing Authority in the preparation of this Preliminary Master Plan and Report. Executive Director Jack D. Herrington and his staff played an important role in the data research and design review of this report.

We appreciate the many staff members of the City of Dallas who also assisted in research and design review. We also appreciate the time that the following individuals have taken to provide valuable input into this proposed Master Plan:

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James Williams	Vice President, Special Purpose Resident Council
Tillie Baylor	President, George Loving Resident Council
Kenneth Hogg	Vice President, George Loving Resident Council
Carrie Seaton	President, Elmer Scott Resident Council
Annie Sledge	Treasurer, Elmer Scott Resident Council
Helen Myers	Vice President, Edgar Ward Resident Council
Ila Moore	Treasurer Edgar Ward Resident Council
Rev. W.L. Burrell	West Dallas Advisory Committee
J.R. Edmunds	West Dallas Advisory Committee
Carolyn Geiger	West Dallas Advisory Committee
Mattie Lee Nash	West Dallas Advisory Committee

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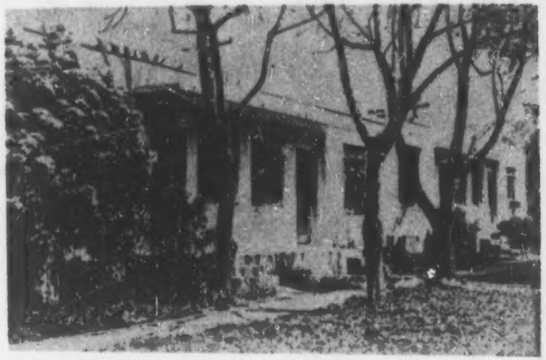
West Dallas Charette Team, West Dallas Design Charette Report, DHA, Dallas, Texas, July 1983

DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
CEDAR SPRINGS PLACE Tex 9-12 2531 Lucas Drive Dallas, Texas 75219 Completed 9/18/37 15.46 acres	165/6*	Construction: 16 one-story and 10 two-story buildings, stucco skin, concrete roof.	Heating and hot water systems were partially replaced. The gas system was replaced with Emergency Modernization funds. All roofs have been replaced. New windows are being installed with TDC weatherization funds. The electrical system is scheduled to be replaced in 1985. The Dallas Security Force provides 24-hour patrol coverage.
ADDITION Tex 9-3 2531 Lucas Drive Dallas, Texas 75219 Completed 11/7/42 12.6 acres	220 (*total)	Construction: 23 two-story buildings, concrete frame to second floor, wall bearing above, wood roof trusses. Condition: Fair general condition; buildings are structurally sound; interior and exterior electrical systems are poor; obsolete fixtures; outmoded furnishings.	

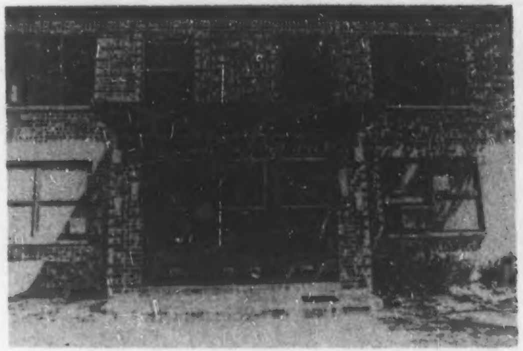
Cost of Rehabilitation: $6,500,000



DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
FRAZIER COURTS Tex 9-5 4900 Hatcher St. Dallas, Texas 75210 Completed 11/1/42 16.3 acres	250/5*	Construction: 57 two-story buildings, wall bearing clay tile to second floor, wall bearing above, wood roof trusses.	Comprehensive modernization completed in 1984. Landscaping work is continuing. Air conditioning has been installed in the community building.
ADDITION Tex 9-6 4900 Hatcher St. Dallas, Texas 75210 Completed 6/21/52 38.74 acres	300 (*total)	Construction: 57 two-story buildings, brick veneer. Condition: Excellent condition; comprehensive modernization finished in 1984.	The Dallas Security Force provides 24-hour patrol coverage.

Cost of Rehabilitation: $10,171,000



DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
BRACKINS VILLAGE Tex 9-7 1544 E. Eighth St. Dallas, Texas 75203 Completed 7/23/52 9.44 acres Cost of Rehabilitation: $1,300,000	102/21	Construction: Two one-story buildings and 12 two-story buildings, brick veneer with with partial cement asbestos siding on second level. Condition: Poor general condition; buildings are generally structurally sound; electrical system needs to be replaced; obsolete fixtures; outmoded furnishings -- except modernized units.	Comprehensive modernization is underway using federal funds. All roofs have been replaced. The gas system was replaced with Emergency Modernization funds; 25 units in the first phase of construction are nearly complete.
TURNER COURTS Tex 9-8 6601 Bexar St. Dallas, Texas 75215 Completed 11/15/52 26.25 acres Cost of Rehabilitation: $4,100,000	294/63	Construction: Eight one-story and 34 two-story buildings; brick veneer with partial cement asbestos board siding on second level. Condition: Poor general condition; buildings are structurally sound; asbestos siding needs to be replaced; the electrical system is poor; obsolete fixtures; outmoded interior furnishings -- except modernized units.	Comprehensive modernization is underway using $4.1 million in federal funds. Forty units have been completed and another 26 are in progress. Roofs have been replaced. Security hardware was installed with CDBG funds. Smoke detectors were installed in all units. The exterior gas lines were replaced using Emergency Modernization funds. The Dallas Security Force provides 24-hour patrol coverage.

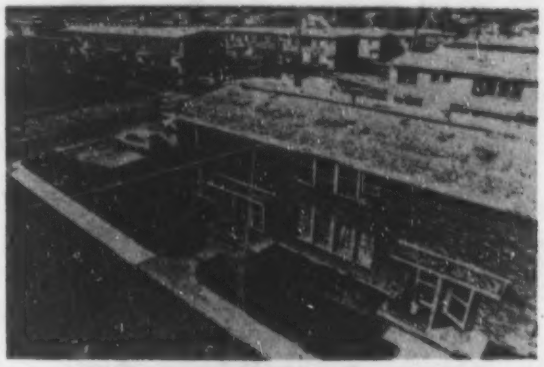
DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
RHOADS TERRACE Tex 9-9 5712 Pilgrim Drive Dallas, Texas 75215 Completed 4/25/53 94 acres	426/180	Construction: 71 two-story buildings, brick veneer with asbestos siding on second level. Condition: Extremely poor condition; poor building design; asbestos siding needs to be replaced; electrical and gas systems are poor; plumbing is poorly designed; obsolete fixtures; outmoded interior furnishings.	HUD has provided a total of $7,107,118 in comprehensive modernization funds, of which $6.3 million is for actual design and construction at Rhoads Terrace. This 1981 grant was made based on a partial funding allocation and HUD acknowledged that additional money would be needed. DHA is continuing to negotiate with HUD over an additional $3.4 million. The City of Dallas has provided $1,026,000 from CDBG and Emergency Jobs Stimulus Bill funds. All buildings have been reroofed; underground electrical, gas, water and sewer lines are being replaced as needed; and extensive work on new streets, off-street parking areas and interior demolition of vacant units is nearly done. Interior modernization of seven buildings is underway, including two which will be ready for occupancy when new windows are delivered. The STEP Foundation organized more than 1,000 church volunteers in 1984 to assist in roofing and interior demolition on two work days. The Dallas Security Force provides 24-hour patrol coverage.
	Cost of Rehabilitation: $10,500,000		

DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
GEORGE LOVING PLACE Tex 9-11A 3320 Rupert St. Dallas, Texas 75212 Completed 4/19/54 513.4 acres	1,093/639*	Construction: Twenty-three one-story and 180 two-story buildings; wood frame; brick veneer first floor; second floor siding 50% asbestos, 50% brick veneer.	Smoke detectors were installed in all units using CDBG funds. Lone Star Gas Co. is replacing the gas system with HUD Emergency Modernization funds. Some roofs were replaced using operating funds. Security hardware has been installed in Special Purpose Housing and a few other buildings using CDBG funds. Some make-ready was done in 1983 to relocate tenants affected by lead-contaminated soil. The replacement of soil in limited areas is in its final phase. DHA has requested $21,600,000 in federal modernization funds to carry out improvements under the Lake West Master Plan. The Dallas Police Department provides patrol coverage from its Lake West substation.
SPECIAL PURPOSE HOUSING 3320 Rupert Street George Loving Place (area included above)	381 (*total)	Condition: Poor general condition; large number of vacant units; roofs are bad; electrical system has been partially upgraded, but additional work needed; limited improvements to interior fixtures and furnishings have been carried out but a considerable amount of work must be done.	

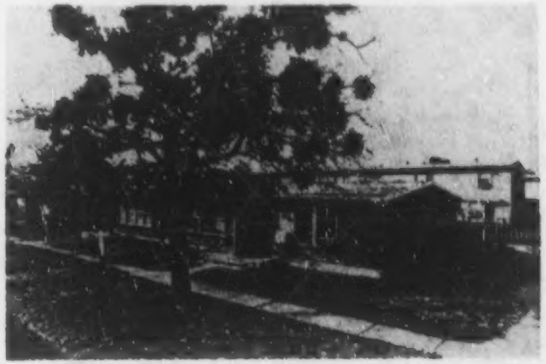
Cost of Rehabilitation: $21,600,000
(Public Housing)



DHA HOUSING PROJECT SUMMARY

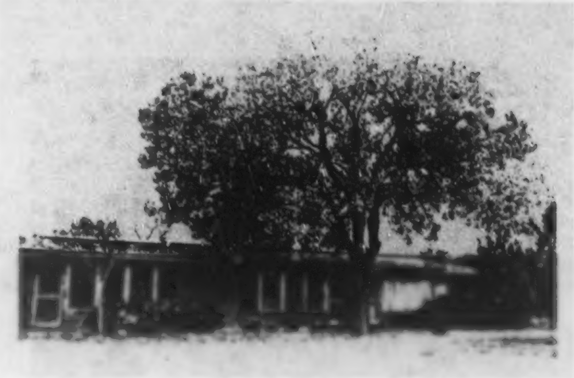
Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
EDGAR WARD PLACE Tex 9-11B 3901 Holystone St. Dallas, Texas 75212 Completed 11/7/53 (See Tex 9-11A area)	1,429/546	Construction: Forty-four one-story and 171 two-story buildings; wood frame; brick veneer first floor; second floor siding 50% asbestos, 50% brick veneer. Condition: Poor general condition; large number of vacant units; roofs are bad; electrical system has been partially upgraded, but additional work needed; limited rehabilitation of fixtures and furnishings has been carried out, but considerable work remains.	Smoke detectors were installed using CDBG funds. The exterior gas system has been replaced using HUD Emergency Modernization funds. A total of $12.2 million has been committed by HUD and DHA has applied for additional funds for this project. Architectural plans and specifications are being prepared under the Lake West Master Plan. The Dallas Police Department provides 24-hour patrol coverage from the Lake West substation at this project.

Cost of Rehabilitation: $18,940,000
(Public Housing)



DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
ELMER SCOTT PLACE Texas 9-11C 2600 Morris Ave. Dallas, Texas 75212 Completed 1/16/54 (See Tex 9-11A area)	455/111	Construction: Three one-story and 63 two-story buildings; wood frame; brick veneer first floor; second floor 50% asbestos, 50% brick veneer. Condition: Poor general condition; large number of vacant units; electrical system has been partially upgraded but additional work is needed; some improvements to interior fixtures and furnishings have been carried out, considerable work remains to be done. Cost of Rehabilitation: $6,170,000 (Public Housing)	Smoke detectors have been installed in all units with CDBG funds. HUD has committed $5.5 million for comprehensive modernization and DHA has requested additional funds. Plans and specifications have been prepared under the Lake West Master Plan. Modernization of 18 units in three test buildings is underway. One building in this project has been moved on a test basis. The Dallas Police Department provides 24-hour patrol coverage from the Lake West substation.

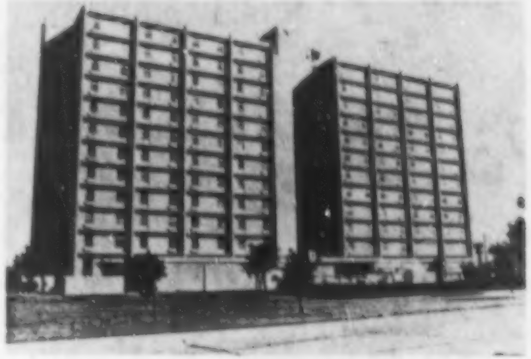


DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
PARK MANOR Tex 9-13 3333 Edgewood St. Dallas, Texas 75225 Completed 3/31/71 4.091 acres	201/1	Construction: One 13-story building; reinforced concrete frame. Condition: Good general condition; structure is sound; maintenance is adequate.	A trash compactor was installed with CDBG funds. The roof and water cooling tower have been replaced using DHA operating funds. The parking lot surfaces were sealcoated and fire service emergency operation for elevators has been installed.
BROOKS MANOR Tex 9-14 630 S. Llewellen Ave. Dallas, Texas 75208 Completed 9/30/71 6.705 acres	233/5	Construction: Two 6-story buildings; reinforced concrete frame. Condition: Good general condition; structure is sound; maintenance is adequate.	Smoke detectors and trash compactors were installed using CDBG funds. The parking lot surfaces have been sealcoated.

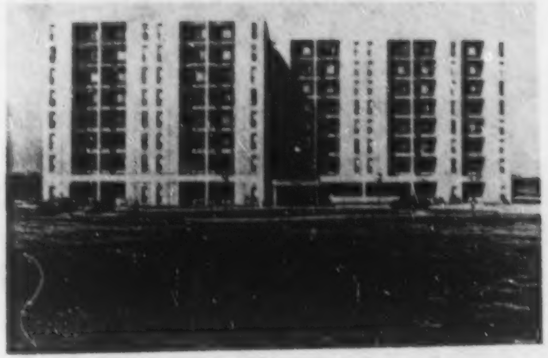
DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
TURNKEY III Turnkey Estates Tex 9-15 3458 Tioga St. Dallas, Texas 75241 Completed 7/8/70 56.161 acres	135/0	Construction: Comprises 383 one-story, single-family houses; concrete slab on grade; brick veneer.	Modernization of the community center and Boys Club facility were completed in 1984. One hundred thirty of 386 original homes have been sold to residents.
TURNKEY III Bonnie View Estates Tex 9-16 (same office address) Completed 9/30/74 52.512 acres	119/0	Condition: Fair to good in general; structurally sound; some roofs fair to poor; ordinary maintenance performed by tenant/homebuyers.	
CLIFF MANOR Tex 9-17 2423 Fort Worth Ave. Dallas, Texas 75211 Completed 9/30/74 3.67 acres	185/2	Construction: One 12-story building; reinforced concrete. Condition: Good general condition; structurally sound; maintenance is adequate.	



DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
FOREST GREEN MANOR Tex 9-44 9730 Shepherd Rd. Dallas, Texas 75243 Completed 2/7/79 4.77 acres	252/5	Construction: One four-story building; reinforced concrete frame. Condition: Good general condition; structurally sound; maintenance is adequate.	Drainage improvements, including site regrading and installation of downspouts and spillways, were carried out in 1984.
LAKELAND MANOR Tex 9-46 3105 Peavy Rd. Dallas, Texas 75228 Completed 4/15/80 4.63 acres	172/1	Construction: One eight-story building; reinforced concrete frame. Condition: Good general condition; structurally sound; maintenance is adequate.	New automatic doors were installed in 1984 and improvements were made to stop water leaks during heavy rains.



DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
AUDELIA MANOR Tex 9-22 10025 Shoreview Rd. Dallas, Texas 75238 Completed 4/13/84 2.87 acres	123/0	Construction: One three-story building; pier and beam/slab on grade; wood frame; brick veneer. Condition: New condition; structurally sound; maintenance is adequate.	Newly constructed at a cost of $5.5 million under the HUD Turnkey New Construction program. DHA is negotiating with the private developer/-general contractor for correction of deficiencies during the initial warranty period.

DHA HOUSING PROJECT SUMMARY

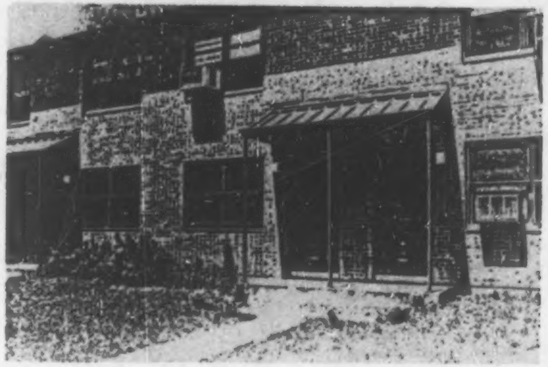
Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
OAKLAND APARTMENTS Tex 9-33 4001-4011 Oak.and Ave. Dallas, Texas 75219 Completed 1960 Acquired 10/1/81 2.34 acres	55/1	Construction: Two two-story buildings; concrete slab on grade; brick veneer. Condition: Very good condition; structurally sound; maintenance is adequate; exterior landscaping and vacant lots need to be developed.	This complex was rehabilitated in 1982 at a cost of $725,000 after acquisition from HUD with a 15-year commitment to provide Section 8 rent subsidies. The improvements included an elevator, air conditioning, barrier-free features and a community room with kitchen.
SIMPSON PLACE Project Tex 9-48 3922 Simpson St. Dallas, Texas 75246 Acquired 10/14/82 1.59 acres	92/65	Construction: One two-story building; pier and beam; wood frame; brick veneer. Condition: Fair condition; structurally sound; requires considerable renovation.	Purchased for $1.4 million and currently undergoing an $850,000 rehabilitation in conjunction with the 1984 sale of Washington Place. Concrete sidewalks and balconies have been replaced. The first 28 renovated units will be occupied in April; work is underway in another 30 units.

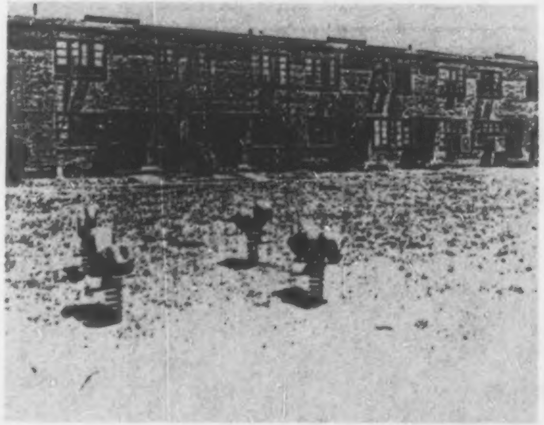
SIMPSON PLACE

EXHIBIT B

DHA HOUSING PROJECT SUMMARY

Project Data	Units/Vacancies January 1985	Type of Construction Condition of Project	Recent Activity
ROSELAND HOMES Tex 9-1 2021 N. Washington Ave. Dallas, Texas 75204 Completed 6/15/42 27.9 acres	611/2	Construction: 62 two-story brick buildings, concrete frame to second floor, wall bearing above, wood roof trusses. Condition: Excellent general condition; buildings are structurally sound; project has completed major modernization to correct deficiencies. Cost of Rehabilitation: $12,625,000	Comprehensive modernization completed using $11.625 million from HUD modernization funds and $1 million from City of Dallas CDBG funds. The Dallas Security Force provides 24-hour patrol coverage.
LITTLE MEXICO VILLAGE Tex 9-2 3027 Harry Hines Blvd. Dallas, Texas 75201 Completed 9/16/42 13.37 acres	102/0	Construction: 13 two-story buildings, concrete frame to second floor, wall bearing above, wood roof trusses. Condition: Fair condition; buildings are structurally sound; interior and exterior electrical/gas systems are poor; obsolete fixtures; outmoded interior furnishings. Cost of Rehabilitation: $1,700,000	Security hardware and smoke detectors were installed with CDBG funds. Exterior wood was painted in 1983. Lone Star Company replaced all exterior gas lines. Attic insulation was installed and new windows are being installed using TDCA weatherization funds. All roofs have been replaced. The Dallas Security Force provides 24-hour patrol coverage.





REDSKINS REBOUND AGAINST CARDINALS, 27-10. PAGE 1B.

The Da ning News

H. GONZALEZ
TUESDAY *

Texas' Leading Newspaper ©The Dallas Morning News, 1985 Dallas, Texas, Tuesday, October 8, 1985 6 Sections 8 •• 25 Cents

Subsidized mortgages diverted from target areas

Loan program benefits few low-income buyers, investigation finds

By Craig Flournoy
Staff Writer of The News

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■ S. Dallas financing. 18A

As Carol Barcellona sees it, she has helped "the poor" buy homes in Bryan Place, Fox & Jacobs' exclusive residential development near downtown Dallas.

In just four months, Ms. Barcellona, president of Fox & Jacobs' Specialty Division, has sold four Bryan Place houses costing from $113,000 to $126,000, and two condominiums.

The purchases were financed with $1 million in city-subsidized, below-market interest mortgages.

"The money has limits, and most of our homes are over the limit" of $126,800 for a new home, Ms. Barcellona said. "They (subsidized mortgage funds) are for the poor."

Ms. Barcellona said the six buyers, all of them white, are no different from other Bryan Place residents: "highly educated, culturally oriented professionals who often work in the central business district." She said the subsidized mortgage money simply made it possible for them to "buy a home probably a few years before they could otherwise."

However, some city and county housing officials said that helping middle- and upper-income professionals buy homes in developments like Bryan Place using low-interest, subsidized mortgage funds — part of more than $290 million already spent in Dallas County — illustrates the failure of the home loan program.

"It's a rip-off of the taxpayer," said John Fullinwider, a member of the board that oversees the city's Housing Finance Corp. "There is such a gap between the announced intention and the results that you just have to call it a fraud.

"It is sold with the rationale that it will help low- and moderate-income people," Fullinwider said of the mortgage subsidy program, today a $14 billion-a-year industry nationwide. "But I've probably met half a dozen people recently who told me with sort of a sheepish grin they bought their homes under the program; and these are professional people, they're not low- and moderate-income people who are struggling for a place to live."

What happened in Bryan Place is not unique. A monthlong investigation by *The Dallas Morning News* found that the city, Dallas County and the state of Texas have financed more than $300 million in low-interest home loans in recent years that benefitted relatively few of the lower-income

Please see LOAN on Page 16A.

Loan subsidies diverted from target areas

Continued from Page 1A.

families and [illegible] hoods [illegible] nated the program. [illegible]

Instead, the [illegible] funneled through private [illegible] lenders — "primarily [illegible] middle- and upper-[illegible] buying homes in established neighborhoods or new subdivisions, according to The News' analysis of more than 9,150 loans approved between 1982 and 1985. [illegible]

During this time period, for example, the city, county and state have financed more than $193.8 million in subsidized mortgages in Dallas County for which target neighborhoods were eligible. Only 4 percent of this low-interest loan money has gone into the county's 27 target areas, despite some program requirements that mortgage lenders reserve up to 20 percent of the funds for one year for use only in target areas.

Federal regulations define target areas as those census tracts in which at least 70 percent of the families earn 80 percent or less of the area median income. Area median family income in 1984 was $30,200. The subsidized mortgages provide 30-year, fixed-rate loans that are two to three percentage points below market rates.

Only a fraction of the 125 target area loans in Dallas County have been made to predominantly black target neighborhoods, mostly located in the Fair Park-South Dallas area. In 19 predominantly black neighborhoods, representing two-thirds of Dallas' target areas, mortgage lenders have approved only six subsidized [illegible] percent of the target [illegible] in Dallas have gone to two [illegible] Oak Cliff neighborhoods [illegible] percent white and an East Dallas area that includes Bryan Place. [illegible]

City and county [illegible] they were surprised [illegible] findings. [illegible]

"It [illegible] probably not to the [illegible] loan in the target areas [illegible] what we were trying to accomplish," said Roland Freeman, appointed by Mayor Starke Taylor to the board that oversees the city program. "Certainly, for the county program, it's got to be classified as a failure."

Officials said subsidized mortgage programs in Dallas County have failed to serve lower-income families and target neighborhoods for several reasons, ranging from excessive purchase-price and income limits (up to $42,000 under the state program) to administrative failure to oversee the practices of mortgage lenders.

"A number of people in (public) office have not held those programs accountable and have not held people that handled those programs accountable, and we have to take part of the blame," said Dallas County Commissioner John Wiley Price, elected to the commissioners court this [illegible] Finance Corp.'s 1983 bond issue financed 1,772 subsidized home [illegible] areas, records show.

"[illegible] going to have to ask that [illegible] an investigation into the [illegible] whether or not [illegible] we're supposed to have done and whether we violated federal regulations," Price said. "I will ask for that (investigation)."

Anthony Jackson, president of the citizens' board that oversees the city's Housing Finance Corp., said "red-lining" — the refusal of mortgage lenders to make loans in predominantly minority areas — has played a "very significant" role in the failure to serve target areas.

"You can no longer legally red-line (refuse to make loans in) a given area, but I feel that other criteria are being used to, in effect, do the same thing," said Jackson, who was born and reared in South Dallas. "It (red-lining) can make or break our program."

Mortgage lenders participating in the city and county programs deny their firms have discouraged loans in target areas.

"We're not in the business of red-lining; that's the purpose of this program — to improve those (target) areas," said Don [illegible], vice president and branch manager of the Dallas-based Lomas & Nettleton Co., the nation's largest mortgage company and a lender in the city and county subsidized-home-loan programs. "We'll more than welcome taking applications in those areas, I assure you of that."

However, some current and former city and county housing officials and experts in mortgage-lending [illegible] said some lenders are reluctant to make loans in lower-income areas, regardless of the applicant's income. That practice, they said, has played a key role in the failure of the subsidized mortgage programs to serve Dallas' target areas. Among the examples they cite are:

■ The majority of mortgage lenders in the city program said in late July that they had run out of subsidized home loan money, according to tests conducted by a former city housing board member. However, city records indicate that most of the lenders at that time had several hundred thousand dollars in uncommitted funds, primarily for the target areas.

Dallas attorney Mike Daniel, who sponsored the two-day series of telephone inquiries, said many lenders "have no intention of lending money in target areas. These lenders will sit on the target area money for a year and not process it and then loan it in non-target areas."

■ The nation's largest bond insuring association came close to cutting the city housing corporation's initial bond issue in half — from $90 million to $45 million — after an unidentified Dallas-area mortgage executive reportedly told the association earlier this year that backing mortgages in the South Dallas loan area "would be like lending money in the South Bronx," according to public and private officials familiar with the negotiations.

After local [illegible] and city officials convinced the insurance group to visit Dallas, the association agreed to back almost $79 million in city housing bonds. However, Jackson and Daniel said the lender's comments cost the city more than $11 million in subsidized mortgage money.

■ Several mortgage lenders [illegible] other financial institutions have failed to provide branch offices in many South Dallas neighborhoods. For example, the Lomas & Nettleton Co., the paid administrator as well as one of the largest participating lenders in the city mortgage program, has no loan offices in South Dallas, according to a company representative.

Carla Middleton, manager of the company's Dallas loan production office, said this problem extends to other lenders and [illegible] aware of what [illegible] hindering their [illegible] Nettleton currently [illegible] ving office to serve the [illegible] Dallas area, but is considering establishing an office in the area within a year, Ms. Middleton [illegible]

Some current and former [illegible] ing officials said such changes have been slow in coming.

"We just poured out money into the business-as-usual arrangements," said Daniel, who recently stepped down from the city housing board. "Realistically, if you don't have an office in an area and you don't deal with the [illegible] bankers that work in an area, you're probably [illegible] in an area."

[illegible] some business firms involved with the subsidized mortgage program locally said it has been a success story.

"I think it is a great deal," said Gary Machak, a vice president at Rauscher Pierce Refsnes Inc., the senior managing underwriter, which has bought and sold more than $219 million in bonds issued by the Dallas County Housing Finance Corp. "It's a great deal for the people of Dallas County because they get below-market interest-rate loans that would not otherwise be available to them.

"These types of financings are not the most lucrative that we can do at an investment banking firm," said Machak, whose firm, along with other underwriters, has been paid more than $5.1 million by the county housing corporation for handling the bond sales. "This is a way to help people qualify (to buy houses) that would not qualify unless they had below-market (interest) rates."

However, The News analyzed city-, county- and state-subsidized mortgage programs over the last four years that could have served target areas and found only a fraction of the loans were provided to the lower-income families and neighborhoods that Congress said should be assisted "to the greatest extent feasible." For example:

■ Only 4 percent of the more than 2,100 city, county and state loans in Dallas County went to borrowers buying homes in target

Please see TARGET on Page 17A.

ntinued from Page 16A.

:as. Nationally, about 13 percent subsidized homes loans have ne to target areas, according to a 13 study by the U.S. General Ac- unting Office.

■ Almost 40 percent of the city J county home loan money has ne to Dallas County's upper-in- me families (those whose earn percent or more of the area's dian income). Only 17 percent of city and county mortgage ney has gone to low- and moder- -income families — defined as se who earn 80 percent or less of areawide median figure.

■ Almost half of the county's re than 1,900 low-interest loans ve gone to build new homes, of- located in newly developed sub- isions in the suburbs. Mortgage iders in the city program have al- ved individual builders to re- ve almost $25 million of the $68.5 llion in home loan money, the jority of it for the construction homes in non-target neighbor- ods.

"We still have not helped the ple the program was designed ," said Jackson, president of the y housing board. "There is a very ious shortage of low- and moder- income housing, not only in thern Dallas but throughout llas, and if these trends continue s will obviously escalate and you ll have a vast majority of the peo- living in substandard housing."

There are approximately 162,000 - and moderate-income house- lds in Dallas — almost half of the y's total, according to a 1985 city using and Neighborhood Ser- es study. Almost two-thirds of se families live in substandard uctures or pay an excessive por- n of their income for housing, city study said.

The Mayor's Task Force on Hous- and Economic Development in thern Dallas recommended that city adopt a subsidized mort- e program to revitalize that a.

Freeman, a member of that task ce, cautioned that the city's me loan program is a only a few nths old and that the pattern of ns could change. But Freeman d he was particularly distressed the early failure of the city's pro- to assist depressed neigh- hoods in South Dallas because are focusing our efforts much re on target areas than the nty program."

Fullinwider, appointed to the housing board by Dallas City uncil member Craig Holcomb, d the results of the subsidized rtgage program throughout Dal- County are "clearly a distortion he goals of this program."

"What I question," Fullinwider d, "as I look at these proposals ning in is: 'What does this have do with lower-income people and what in the world is the American taxpayer doing subsidizing this kind of development?' "

■

When the city housing board sat down for its August meeting, one member dropped a bombshell: a series of tests, conducted by telephone, showed that most of the city's private mortgage lenders — entrusted with $68.5 million in home loan money — provided misleading information or tried to discourage potential applicants from buying homes in target areas.

Board President Jackson said he considered the allegation "a matter of grave concern" that warranted the taking of "any and all steps in order to rectify it."

However, Lomas & Nettleton, the paid administrator and self-styled "policeman" for the city and Dallas County home loan programs, did not investigate the findings.

"I deal with this stuff every day so I don't get as excited about it anymore," said Henny Pfeifer, Lomas & Nettleton's liaison with the city. "It (the mortgage subsidy program) works, and we've found it to be a successful program for communities like ours."

Some current and former Dallas housing board members said Lomas & Nettleton's failure to follow up on the charges is but one example of the lack of supervision of mortgage lenders in the loan subsidy programs.

"I don't think that the mortgage lenders have anything to fear at all from Lomas & Nettleton or the Housing Finance Corp., given their attitudes to date," said Daniel, a Dallas attorney who specializes in housing law.

Daniel said he became so concerned about the low level of city loans in target areas that he decided in late July to test the mortgage lenders.

Callers contacted 15 of the city's 17 mortgage lenders about the availability of city mortgage money, being careful to speak to employees knowledgeable about the program, Daniel said.

A majority of the lenders said they had run out of the low-interest loan money, Daniel said, although the city's records indicate that most of the lenders had several hundred thousand dollars in uncommitted funds, primarily for the target areas.

"Clearly, they were providing false information as to the availability of loan (money) in the target areas," Daniel said.

Some lenders did acknowledge they had mortgage money available for the target areas, Daniel said, but two lenders — including Lomas & Nettleton — "discouraged (the caller) from trying to borrow in the target areas."

Ms. Pfeifer promised to look into the allegations, which, if true, could lead to the cancellation of a lender's contract with the corporation.

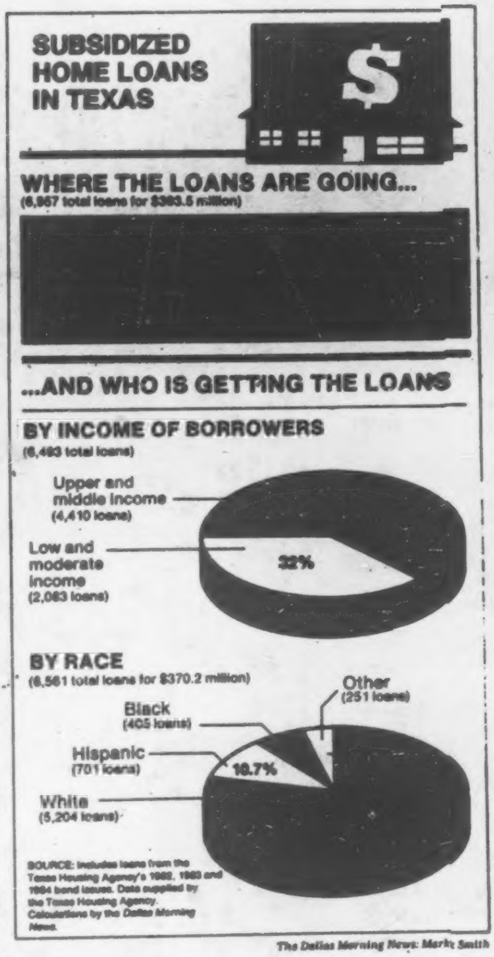
In September, she told the board she had resolved the charges using "a very diplomatic" approach: a memorandum had been sent to each of the city's 17 mortgage lenders. The memo reminded the lenders that "information regarding the availability and location of targeted area funds is required" and that they were "obligated to exercise reasonable diligence" to make loans in target areas.

In a later interview with *The News*, Ms. Pfeifer said she did not contact any of the program's 16 other mortgage lenders to ask if they had withheld information or tried to discourage potential borrowers from buying homes in target areas.

"We felt like that was the more professional way to handle it, so just do a blanket memo to everybody without any hard, solid facts," said Ms. Pfeifer, whose company is one of the nation's larger administrators of subsidized mortgage programs. Ms. Pfeifer vowed that "next time I hear it happen, that's what I'll do (call the lenders)."

Lenders contacted by *The News* denied making such statements or said they could not recall the conversations.

City board members Jackson and



SOURCE: Includes loans from the Texas Housing Agency's 1982, 1983 and 1984 bond issues. Data supplied by the Texas Housing Agency. Calculations by the *Dallas Morning News*.

The Dallas Morning News: Mark Smith

Freeman said they were not aware that Lomas & Nettleton had failed to contact the various lenders about the charges. Both said they planned to tell the company to do so when the board meets Tuesday.

Jackson said Daniel's findings provide evidence that many of the city's mortgage lenders "are waiting for the restrictions to be removed from the money earmarked for the target areas so that it can go into the broader (non-target) sector. By doing that, they are causing the program to fail."

Jackson said he also will ask the city staff to investigate Daniel's findings. However, Chris Chiles, an urban planner who serves on that staff, said that "any complaints that arise, I always refer over to Lomas & Nettleton."

Allegations of lack of supervision are not confined to the city's mortgage program.

Dallas County Administrator Bob Montgomery said that Lomas & Nettleton's periodic reports to county commissioners represent "the extent of the oversight."

The Texas Housing Agency, with less than two dozen employees, has issued almost $1 billion in tax-exempt bonds since 1980 to subsidize mortgages on single-family homes. Earline Jewett, who has headed the agency since its inception, said overseeing the mortgage lenders who actually make the loans can be difficult.

"It is a problem anytime you take a group of private-sector institutions, which the lenders are, and ask them for a short period of time to deliver a public-sector program," Ms. Jewett said.

The state agency quietly has launched an unprecedented survey to test how mortgage lenders treat loan applicants, according to administrative aide Melinda Magee. At present, Ms. Magee said, "The participating lenders are a mystery to me."

Some Dallas housing officials question whether oversight will ever improve significantly.

"The program doesn't have enough teeth or enough subsidy to accomplish its stated objective," said Fullinwider, director of Common Ground, a non-profit housing and economic development corporation. At the city housing corporation, he said, "There is an air of unreality about it when you watch the players in this drama."

■

To housing officials such as Jackson, Fullinwider and Price, red-lining practices by many mortgage lenders, based primarily on race, have played what they said is a "significant" role in the failure of subsidized home loan programs to reach hard-pressed neighborhoods and families.

"I've been a South Dallas resident all my life, and I've watched it grow, I've watched it deteriorate, and I've watched it trying to grow again," Jackson said. "It (progress) has been made very difficult because of the banking industry."

Other housing officials said they are unsure whether red-lining is undercutting the aims of subsidized mortgage assistance. "But I'm going to be alert to it," said Freeman, senior vice president in a real estate investment firm. "We have cause to be sensitive to it and to examine it. It's a possibility."

Equally important, according to city and county housing officials and mortgage-lending experts, is the almost total absence of home loan offices in many South Dallas neighborhoods.

"You can take the bank charters issued for the last 10 years in Dallas County, put the pins on a map and, with (one) exception . . . I cannot think of a single southern Dallas bank charter," Freeman said.

Some Dallas mortgage executives acknowledged that the lack of branch offices in South Dallas hampers making loans there.

"Sure that's going to make a difference," said Ms. Middleton, a Lomas & Nettleton assistant vice president. "You have to give them (South Dallas residents) the exposure so you get the exposure."

Ms. Middleton said the company is considering opening a loan office in South Dallas "within a year, if not sooner."

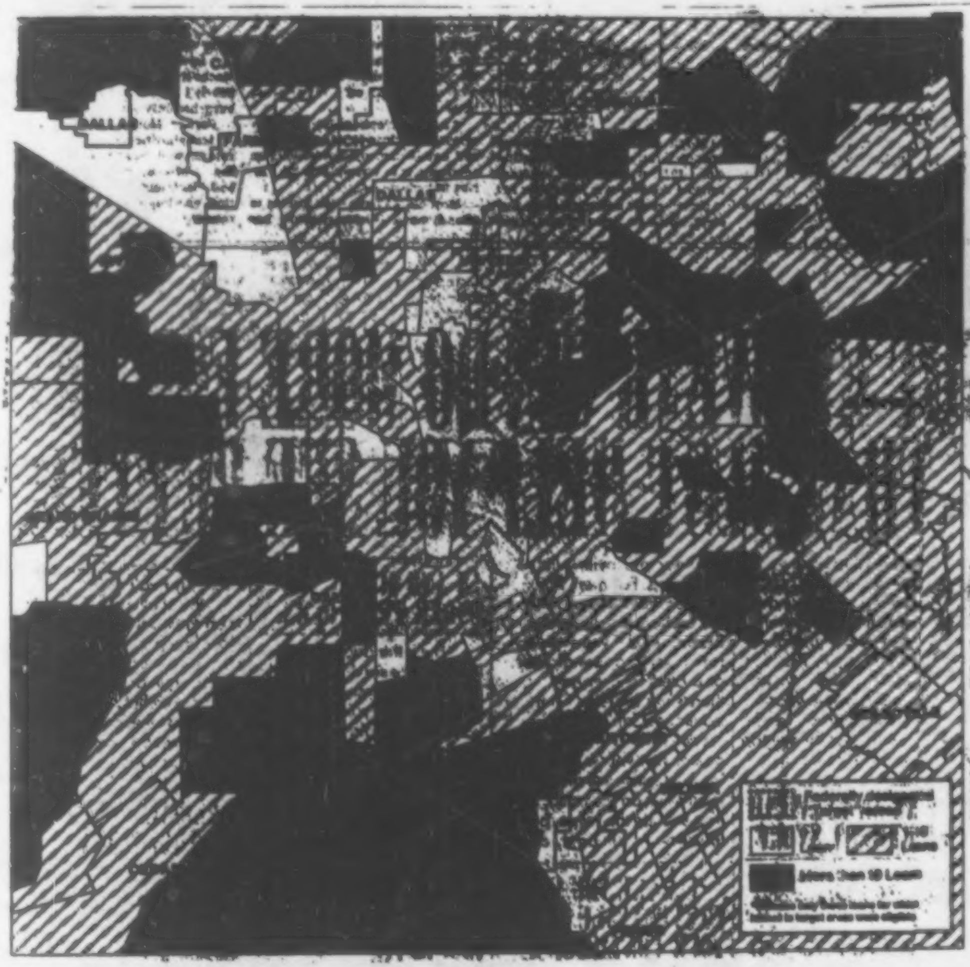
"It's a hot area for business and not just for bond programs," said Ms. Middleton. "I think it would increase our production because of the closeness to the area."

Mark Rosentraub, an expert in mortgage-lending practices, said his studies of the Dallas area have found that "even if you control for income, in all instances mortgage lending correlated with race."

However, Rosentraub said, the failure of many lenders to make "loans (in minority areas) is really the tip of the iceberg." What is more important, he said, is that "racism in the past established patterns" leaves many minority areas today with no ties to lending institutions.

"Somewhere along the line, we must get away from the race question and say there is a real problem out there, that no housing is being built for low- and moderate-income families," said Rosentraub, an urban affairs professor at the University of Texas at Arlington.

"It's true that people don't lend to blacks. It's also true that people don't lend to people they don't know. In the short run, those areas need loans; in the long run, they need opportunities."



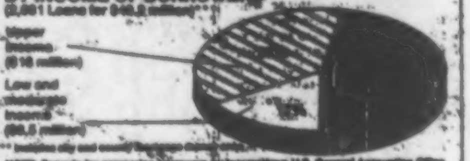
WHERE LOANS ARE GOING IN DALLAS COUNTY...

(5,165 Loans for $195.8 million)**

...AND WHO IS GETTING THE LOANS

BY INCOME OF BORROWERS

(2,881 Loans for $48.2 million)***

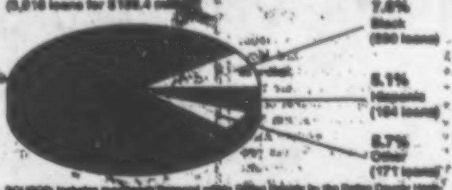


*** Includes city and county [illegible]

NOTE: Formula for comparing [illegible] from U.S. General Accounting Office. The GAO defines upper-income as [illegible] families who earn 120 percent or more of area median income; middle-income as [illegible] percent and low- and moderate-income as 80 percent or less.

BY RACE

(3,016 loans for $138.4 million)



SOURCE: Includes [illegible] financed within Dallas County by the Dallas County Housing Finance Corp.'s 1983 and 1984 bond issues, the City of Dallas Housing Finance Corp.'s 1985 bond issues and the Texas Housing Agency's 1983, 1985 and 1986 bond issues. Data supplied by the Texas Housing Agency and the Lomas & Nettleton Co. Calculations by The Dallas Morning News.

Chairman GONZALEZ. The one question I had was what your time table—I want the record to show it. You explained to us earlier this morning during our tour. What is your time table for construction of the remaining 106 units required to replace the rest of the Washington Place project?

Mr. HERRINGTON. We have been advertising and seeking land for those units for some months. Those will be three and four bedroom units. We at this time have a contract proposal for the purchase of the land. I'm not sure that will be successful, but at least we have done that.

Now, once that is accomplished, if we do reach a conclusion, acceptable conclusion for the purchase, under the laws of the State, which I frankly think are discriminatory, I even question their constitutionality, but nevertheless, the housing authority must post a sign on the property it proposes to purchase; it has to notify all the owners within a quarter of a mile radius of that property, and hold a public hearing.

That takes at least a month to go through that process, a bare minimum.

So we're talking about several months before we could hope to reach the place of employing an architect, and moving foward if all goes well.

Chairman GONZALEZ. Mr. Jones.

STATEMENT OF HARRY L. JONES, SR., DIRECTOR, DEPARTMENT OF HOUSING, NEIGHBORHOOD SERVICES FOR THE CITY OF DALLAS

Mr. JONES. Mr. Gonzalez, Representative Bartlett and Bryant, thank you very much for inviting me here today to appear before you.

I guess much of what I had prepared to say has already been said. I do have some brief comments to speak to the issue of the enormity of the problem as it confronts low income people in this particular community, and I may be able to seek with a little more specificity as to questions that were raised previously regarding the city of Dallas' use of community development block grant funds, and hopefully with some level of specificity regarding the city's involvement with the Single Family Mortgage Revenue Bond Program.

Ralph Waldo Emerson once said that these are very good times if we knew what to do with them. I submit to you that these are very good times, a time when we—the leaders of our times, our society, if you will, have an opportunity to shape a new housing policy around the vortex of the Housing Act of 1949 in order to provide a decent home and suitable living environment for every American family.

The challenges, however, confronting us are enormous. We are at a point in our history where the leadership of this country has turned its backs on its decade old commitment to housing, especially to the poor.

Estimates from a variety of sources indicate that housing programs have been cut 80 percent over the last 5 years. High interest rates make home ownership impossible for most American families, and rents have escalated to the point that most standard rental housing is beyond the reach of most low-income households.

The signs are ominous. The challenge is real. The need for better affordable housing opportunities for low income households is well documented.

The circumstance in Dallas is an excellent backdrop for discussion. Dallas is an extremely affluent city, a city with a median income of approximately $31,000, but it also is a city that has enormous housing needs that are not being met, and which appear to be getting worse.

The housing stock in Dallas is aging; 61 percent of its housing stock is greater than 20 years old, as compared to 32 percent in 1960. Even though Dallas is a fairly new city, it has already reached the point where preservation of the existing housing stock is as important as new construction. In fact, it is estimated that 60 to 70 percent of the housing units that will be occupied or existing in the year 2000 have already been built.

Dallas is a new city with an emphasis toward the maintenance of the existing housing stock to insure the future quality of life. Dallas' percentage of substandard housing is increasing. Approximately 20 percent of the existing housing stock is defined as substandard. This compares with the 1974 estimate of 12 percent of a total of about 400,000 housing units.

The percentage of low- and moderate-income households is increasing; 45 percent of all Dallas households have incomes at 80 percent or less of median income, as compared to 41 percent in 1974.

This is a symptom of one of the basic causes of urban housing problems. Big cities invariably have more of their share of their region's lower income people.

The municipal burden that comes with housing, a disproportionate share of the poor is beyond the scale of most cities' resources.

Of Dallas' 164,000 low-income households, 64 percent have a housing problem. They either live in substandard housing conditions, they pay more than 30 percent of their income for housing specifically rent, or they have both problems.

Within the city of Dallas we currently have about 8,000 housing units which are seriously dilapidated; 7,000 of those are occupied with roughly 4,000 of those being occupied by the very poorest people in this community, with collapsing roofs, frayed wiring, and, in many instances a lack of or no plumbing facilities at all. And this exists in the seventh largest city in this country, the third largest in terms of per capita income in this particular country.

The median income of renters as a percentage of the median income of owners is decreasing. In 1960 the median income of renters versus owners was 3 percent as compared to 55 percent in 1981. This is important because most big cities have more renters than owners. The estimates range in this city today that of the total households in this community, roughly 400,000, that 51 to 53 percent of all households in this community are renters.

About three-fourths of all new units built in Dallas over the last 20 years were apartments. Dallas rental market comprises, as I said earlier, about 51 percent of all units, and lower income households are competing with higher income households for standard units.

The minimum cost to relieve lower income households of the problem of substandard housing and excessive cost is great. Estimates show that a $125 million one time cost will be needed for rehabilitation, and a $100 million cost for housing assistance payments. These amounts are comparable to the city of Dallas' budget for such local services as public works, police protection, and fire protection.

These brief facts represent the enormity of the challenge before us. They represent in part the problem which virtually every locality in this county is confronted with. The challenge can be summarized around two things. The Nation has an enormous housing need that is not being met, and second, that localities cannot tackle problems of this magnitude alone.

A restored Federal effort is absolutely, and I underscore absolutely, essential.

The Federal Government can ill afford to abandon its commitment to housing at this point in its history. It must live out the goal that was established in the Housing Act of 1949 that says that we will, in fact, provide a decent home and a suitable living environment for every American family. These are very good times.

What you, Congressmen, the molders and shapers of policy do with it, is important for renewed quality of life.

Continue the Federal tax benefits to include mortgage revenue bonds while insuring the availability of multifamily units to lower income households based on income adjusted to household size. Provide funding at prime levels for continuation, Mr. Bartlett, of Housing Development Grant Programs, the HODAG, the Urban Development Acts and Grant Programs, and Community Development Block Grant Programs. Many of these programs are going the way of the Federal hatchet, or subject to reduced funding levels at a point in our history where we have tremendous needs.

Now is not the time to abandon the Nation's commitment to provide adequate, affordable housing opportunities. If anything, it is a time to express a renewed commitment in order to provide nationally 14 million renters living in substandard housing, or who are experiencing a higher rent burden, a better hope for the future.

I conclude with the story. There's a story of four people, and everybody, somebody, anybody, and nobody, and there was a job to be done. And everybody thought that somebody would do it. Somebody thought that anybody could do it. But nobody did it.

I think that story illustrates as best as I can determine where we are. I recognize clearly that housing is as much now a local responsibility, but I also believe firmly that we need the help and the assistance of the Federal Government to espouse, to pass policies to the localities that will free us of many of the encumbrances of Federal regulation because I feel, as my colleague and partner Jack Herrington feels, that we have the necessary mettle and moxy at the local level to do what is right and to do what is proper to advance the cause of housing within our respective communities.

It is clear in the city of Dallas, TX, the mecca of free enterprise, a city that I have only been in 15 months but have come to love and to cherish, the bastion of free enterprise, that the private sector is not doing the job.

Back in June of this year I developed a housing issue paper, which I understand some of you have copies of, which in my view represents a radical departure from our efforts of the past. And that paper was put together based on the experience that I've had in other cities throughout this country in urban renewal, and, in fact, administering public housing programs. And it says for the first time that we were going to look at ways that we could provide housing in a comprehensive fashion to meet the enormous needs within this community.

Certainly, it's a very controversial document, but is a necessary document.

I've heard previous panelists say today on questions regarding housing vouchers that they, in part, agree. I concur with council member Diane Ragsdale, that I too think that housing vouchers is a good program, but I do not think it is the panacea. I do not think it is the total answer. We need provided in this country new housing units to house lower income people regardless of the white elephants that exist in this community and the West Dallas project, or the Pruit Igo in St. Louis that went the way of the bulldozer some years back. The Public Housing Program, if you would examine it on a case-by-case basis throughout this country has been the most successful program to house lower income people in this Nation.

It is also a documented fact that where there have been programs where the private sector has been totally responsible through the provision of Federal dollars to provide low-income housing, that you have had some of the biggest boondoggles to confront this country. Witness if you will the Section 23 Program, which I have the opportunity to run when I was a housing authority director in Fayetteville, NC, and 5 or 6 years after these units were built the latent structural deficiency started cropping up, and it was a tax for payers who also paid the price because if we were going to continue to allow lower income people to live in a decent environment we then had to convince the Department of Housing and Urban Development to provide us additional funds to rehabilitate those units.

I for one could stay on a high horse and talk about the problems because I am a very dedicated person to this particular process. But I also share the dream of the dreamer, the late Dr. Martin Luther King, Jr., who said in 1963 at the march on Washington that he had a dream, that those people who lived on a lonely island of poverty in the midst of a vast ocean of material prosperity would one day be able to share in the great wealth of this Nation.

Thank you.

[The prepared statement of Mr. Jones follows:]

STATEMENT OF HARRY L. JONES, SR., DIRECTOR, DEPARTMENT OF HOUSING, NEIGHBORHOOD SERVICES FOR THE CITY OF DALLAS

Ralph Waldo Emerson once said "These are very good times if we but know what to do with them." I submit to you that these are very good times - a time when we, the leaders of our times, our society, if you will, have an opportunity to shape a new housing philosophy around the vortex of the Housing Act of 1949 in order to provide a decent home and living environment for every American family.

The challenges, however, confronting us are enormous. We are at a point in our history where the leadership of this country has turned its back on its decades-old commitment to housing, especially to the poor. Estimates from a variety of sources indicate that housing programs have been cut 80% over the last five years; high interest rates make homeownership impossible for most American families; and, rents have escalated to the point that most standard, rental housing is beyond the reach of most low-income households.

The signs are ominous. The challenge is real. The need for better, affordable housing opportunities for lower-income households is documented.

The circumstance in Dallas is an excellent backdrop for discussion.

Dallas is an extremely affluent City. A City with a median income of approximately $31,000. But a City that has enormous housing needs that are not being met and which appear to be getting worse.

1. The housing stock in Dallas is aging. Sixty-one (61%) percent of its housing stock is greater than 20 years old as compared to 32% in 1960. Even though Dallas is a fairly new City, it has already reached the point where preservation of the existing housing stock is as important

as new construction. In fact, it is estimated that 60 to 70% of the housing units that will be occupied in the year 2000 are already built. Dallas is a new city with an emphasis towards maintenance of the existing housing stock to ensure the future quality of life.

2. Dallas' percentage of substandard housing is increasing. Approximately 20% of the existing housing stock is defined as substandard. This compares with a 1974 estimate of 12%.

3. The percentage of low and moderate income households is increasing. Forty-five percent of all Dallas households have incomes at 80% or less than the median income as compared to 41% in 1974. This is a symptom of one of the basic causes of urban housing problems. Big cities invariably have more than their "share" of the region's lower-income people. The municipal burden that comes with housing a disproportionate share of the poor is beyond the scale of most city's resources. Of the Dallas' 164,000 low and moderate income households 64% have a housing need. They live in either substandard housing, pay more than thirty (30) percent of their income for housing; or, have both problems.

4. The median income of renters as a percentage of the median income of owners is decreasing. In 1960 the median income of renters versus owners was 73% as compared to 55% in 1981. This is important because most big cities have more renters than owners. About three-forths of all new units built in Dallas over the last twenty years were apartments. Dallas' rental market comprises about 51% of all housing units, and lower income households are competing with higher income housholds for standard units.

5. The minimum cost to relieve lower-income households of the problems of substandard housing and excessive cost is great. Estimates show that a $125 million one-time cost would be needed for rehabilitation and a $100 million annual cost for Housing Assistance Payments. These amounts are comparable to the City of Dallas' budget for such local services as public works, police protection and fire protection.

These brief facts represent the enormity of the challenge before us. They represent, in part, the problems which virtually every locality in this country is confronted with. The challenge can be summarized around two themes:

- The Nation has enormous housing needs that are not being met; and,
- Localities cannot tackle problems of this magnitude alone. A restored federal effort is absolutely essential.

The federal government can ill-afford to abandon its commitment to housing at this point in history.

These are very good times. What you - the molders and shapers of policy- do with it is important for a renewed quality of life.

- Continue the federal tax benefits to include mortgage revenue bonds while ensuring the availability of multi-family units to lower-income households based on income adjusted to household size.

- Provide funding at prior levels for continuation of Housing Development Grant Programs (HODAG), Urban Development Action Grants (UDAG), and Community Development Block Grants.

Now is not the time to abandon the Nation's commitment to provide adequate affordable housing opportunities. If anything, it is time to express a renewed commitment in order to provide the 14 million renters living in substandard housing or who are experiencing a high rent burden a better hope for the future.

Chairman GONZALEZ. Thank you very much, Mr. Jones. I ask also, if there's no objection, to place in the record at this point the paper prepared by Mr. Jones, "Lower Income Housing Strategies Issue Paper", June 1985.

[The paper "Lower Income Housing Strategies Issue Paper" of June 1985 follows:]

LOWER INCOME HOUSING
STRATEGIES ISSUE PAPER

June 1985

Executive Summary

This paper discusses roles and philosophies in meeting lower income housing needs. Strategies have been develop which represent these new roles. No funding sources have been identified at this time.

The strategies which are suggested for consideration are as follows:

1. Develop a Replacement Housing program that responds to 250 low and moderate income families over the next five years.

2. Develop programs to encourage the rehabilitation of vacant structures which are suitable for rehabilitation and scheduled for public or private demolition in an effort to foster homeownership.

3. Develop a program to acquire, rehabilitate, and deed to a local non-profit corporation for public ownership and management 500 units of substandard (suitable for rehabilitation) rental housing over the next five years.

4. Implement a locally-sponsored rental rehabilitation program to expand the opportunities for the rehabilitation of privately-owned, renter-occupied and substandard housing units to assist 500 homeowners over the next five years.

5. Provide direct assistance payments to the Dallas Housing Authority to assist 500 large family Section 8 certificate-holders over the next 5 years.

6. Expand the Relocation Program to include use of the local option and last resort provisions of the Uniform Relocation Act of 1970 to serve 500 households over the next 5 years.

7. Construct 1,000 units of publically owned housing over the next 5 years.

8. Assist the Dallas Housing Authority in meeting its infrastructure needs in its public housing projects.

9. Require the registration of all privately owned rental properties within the City.

10. Development an effective interest-reduction program to provide 50 lower-income households an expanded opportunity to participate in the Housing Finance Corporation's Single-Family Mortgage Revenue Bond Program.

I. Introduction

The City of Dallas' involvement in low-income housing began in earnest with the passage of the Housing and Community Development Act of 1974 and its participation in the program in 1975. The Act marked the start of a new era in housing relations between the Federal and local governnment. Title I of this legislation created the Community Development Block Grant (CDBG) program, replacing seven categorical grant-in-aid programs. The change to the block grant approach reflected a desire to shift the responsibility for community development from the Federal government to the local governments, as well as to streamline the application and review process. Under the CDBG program, major cities and many large counties are entitled to receive grants, the amount of which is based upon an entitlement formula that considers population, poverty, housing conditions, and other factors.

While the 1974 Act and its recent amendments provided greater authority to cities - compared to the categorical programs CDBG replaced - local discretion is somewhat limited because CDBG activities must address broad national statutory objectives. For instance, CDBG's primary objective is the "development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." For entitlement cities, the achievement of this primary objective is through the development of programs where the projected use of funds are developed so as to give "maximum feasible priority" to activities which will carry out one of the Act's three broad national objectives: 1) to benefit low and moderate income families; 2) to aid in the elimination of slum and blight; and, 3) to meet urgent community development needs.

The Housing Assistance Plan

The cornerstone of the City's involvement in directing and controlling the low-income housing process is embodied in the responsibilities accorded it for the development and administration of the Housing Assistance Plan (HAP). The 1974 Act requires every city receiving CDBG funds to submit a Housing Assistance Plan (HAP). It is a key element in the allocation of subsidized housing funds. The HAP is written for the entire city with emphasis on the housing needs of lower income residents. It is the document that should identify all housing policies and housing programs for the City.

In order to obtain City and HUD approval, any developer or agency proposing to provide any kind of assisted housing must do so in conformance with the HAP.

The HAP describes **how** the City proposes to meet the housing needs of its lower income residents, **what** type of housing units - new, existing or rehabilitated-can be utilized for this purpose and **where** such units can be located. In short, the 1974 Act transferred to the City a significant responsibility for the planning and use of assisted housing. In more specific terms, the HAP includes the following:

- A survey of the condition of the City's existing housing stock.
- A survey of the housing assistance needs of lower income households
- A three year goal for the number of households to be assisted
- A description of general location for proposed lower income housing.

By submitting a HAP, the City assumes responsibility for approving the number, type, and location of assisted housing units within the City.

The foregoing information is vital for understanding the extent of the City's role with respect to the provision of low-income housing. And although this role was expanded by the passage of the 1974 Act, the City continues to rely, principally, upon the Federal government for funding of programs beneficial to low-income persons and households. The City is currently using one primary funding source (CDBG) to support its housing program and activities. In light of the extensive federal cutbacks proposed by the current Administration the issue, then, becomes one of defining the expanded role the City should play in meeting the serious lower-income housing needs within the City.

II. Background

The City of Dallas established the office of Urban Rehabilitation in 1953, the first local effort directed towards housing. The primary housing activity since that time has been the maintenance of the existing housing stock through code enforcement and the rehabilitation of owner-occupied structures.

In 1978 the City commissioned a study of local housing. The study set forth housing policies in a comprehensive plan. The Housing Plan was adopted by the City Council in September, 1978. In this document four sets of goals and objectives were outlined. They focused on:

- conserving housing through rehabilitation;
- assuring that housing investment, reinvestment, and maintenance resources are available to all residents:
- maintaining decent, safe, and sanitary housing; and
- encouraging the development and maintenance of adequate supplies of housing with balanced opportunities between high, middle, and low-cost units.

In addition to the above goals, the plan set forth a goal of implementing appropriate planning, monitoring, and evaluation capabilities.

Since the adoption of the plan several additional studies of housing have been completed. Notably, these studies include:

- Dallas 2000 (1981)
- 1982 Housing Issue Paper prepared by the Department of Housing and Neighborhood Services
- Public Housing Task Force Report (1983)
- Mayor's Task Force on Southern Dallas (1984)

In addition, the City adopted the Planning Policies in July, 1984. The Planning Policies established three critical goals directed towards 1) providing housing for "special population" groups; 2) obtaining standard housing for a reasonable proportion of income; and, 3) maintaining all structures and premises at or above minimum standards.

There are two non-profit entities which can assist the City it in its efforts to expand and improve its housing programs. Both were created as a result of recommendations contained in the Mayor's Task Force on Southern Dallas: The Housing Finance Corporation and the Housing and Economic Development Corporation of Dallas. These two entities working in partnership with the City can serve as catalysts to expand and improve the existing inventory of housing. Their effectiveness, however, is contingent upon the City's willingness to venture into, heretofore, untested territory. For example, the City could establish an interest and/or principal write-down program with the Housing Finance Corporation to enable households with incomes at or below 50% of the areawide median to become homeowners. Additionally, the City could develop programs with the Housing and Economic Development Corporation to acquire and/or construct single and multifamily housing units for lower-income households, renters as well as owners.

If the City is to expand and improve its local housing effort a commitment must be made to address the lower income housing needs in a comprehensive manner. Past policies and programs have **not** comprehensively addressed the relationship between such issues as physical housing conditions, affordability, availability, and neighborhood stability. **The financial cost of taking action must be weighed against the social cost of doing nothing.**

III. Local Actors in the Low-Income Housing Assistance Process

Although the City has been endowed with the leadership position with respect to the administration, direction and control of the types and location of low-income housing it has relied prinicipally upon the local housing authority for the provision of assistance, and to a lesser degree, the private sector.

The Dallas Housing Authority (DHA) was created in 1938. Today it administers in excess of 7,400 public housing units for families and the elderly. 1,100 units were developed under the Authority's Section 8 New Construction, Section 8 Moderate Rehabilitation, and Section 8 Substantial Rehabilitation programs. It also administers in excess of 4,000 Section 8 rental assistance certificates. This program allows low and moderate-income families to rent quality housing at affordable prices in neighborhoods of their choice. The participants pay no more than 30 percent of their adjusted monthly income for rent. The balance of the rent is paid directly to the landlord by the Housing Authority. In addition to these rental assistance programs DHA, also, administers the Turnkey III Homeownership program for qualified low and moderate income families who might otherwise be unable to purchase a house. Every month residents build credits toward a down payment by performing maintenance on their homes. Similar to other housing assistance programs, Turnkey III residents pay no more than 25 percent of their adjusted income less a utility allowance as a monthly housing payment. A total of 255 DHA administered single-family homes remain in two subdivisions.

The private sector's direct involvement in housing assistance for low-income households in the past has been limited to participation in programs in response to direct federal funding made available by the Department of Housing and Urban Development (HUD). The programs for the most part were operative during the decades of the 1960's and 1970's. The last direct private sector, low-income housing project constructed in Dallas occured in 1980. The current private sector participation is through the use of tax-exempt bond programs for multi-family rehabilitation and construction and single-family purchase for first-time homebuyers. This program is offered by the recently-established Housing Finance Corporation.

The City's current role in the housing process has been primarily limited to the use of loans and grants for owner-occupants in support of code enforcement. The City does, however, participate in the federally-funded Rental Rehabilitation and Section 312 loan programs. Also, it has supported a non-profit organization, (Neighborhood Housing Services) to encourage "in-fill" housing within several targeted neighborhoods.

IV. The City's Future Role in Low-Income Housing

According to the book, Housing and Local Government, published by the International City Manager's Association (ICMA), "housing is becoming, in fact, a true municipal function."

As the City ponders an expanded local role it must do so against the bleak backdrop of massive federal budget cuts. In the future, more direct programs of federal housing assistance for lower-income households are subject to a reduced level of federal support. Among the programs targeted for elimination, freeze, or a two (2)-year moratorium are Low-Rent Public Housing, Section 202 for the elderly, Rental Rehabilitation, 312 loans, Section 8 New, Substantial, and Moderate Rehabilitation, and the Housing Development Action Grant (HODAG). In addition, CDBG, the City's principal housing resource is targeted for at least a 10% reduction and an allocation formula change between entitlement cities and small cities. This allocation change could reduce the City's 1986 entitlement by as much as 24 percent. The City, then, must move to take actions designed to fill the gap between private housing resources and more limited direct federal assistance.

These proposed federal cutbacks come at a time when there are serious local housing needs affecting the City's low and moderate income households. The current lower income housing picture looks like this:

- According to a special housing survey conducted by the U.S. Bureau of Census, Dallas has approximately 94,000 "low-income" households and over 68,000 "moderate income" households. The low and moderate income household totals 162,000 or about 45% of all households in Dallas. (See Table I).
- "Low-income" is defined as an income that is less than 50% of the median income of all families in the SMSA. In 1984 the actual limit was $15,100. The limit is based upon household size and therefore lower for small families and higher for larger families.

- "Moderate-income" is defined as an income that is more than 50% but less than 80% of the median income of all families in the SMSA. In 1984, the actual upper limit was $24,160. Also based upon household size, the limit is lower for smaller families and higher for larger families.

- Approximately 64% or 104,000 low and moderate households in Dallas are in need of housing assistance. (The definition used to measure "need" are housing condition and affordability).

- Of the 104,000 households in need of housing assistance 27,800 (or 27%) live in units with structural deficiencies; 55,900 households (54%) pay more than 30% of their income for housing; and, 19,700 households (19%) have both problems.

- There are 8,300 units with major structural deficiencies; 6,900 of these units are occupied structures (see Table II). Low-income households occupy more than 4,000 of these units while moderate income households occupy approximately 1,000 of these units. (See Table III).

Table I

HOUSING ASSISTANCE NEEDS OF LOW AND MODERATE INCOME HOUSEHOLDS

	Low Income		Moderate Income	
	Owners	Renters	Owners	Renters
1. Total number of low and moderate income households	31,800	61,900	27,000	41,100
2. Percentage with housing assistance needs	71%	81%	41%	48%
3. Number with housing assistance needs	22,700	50,000	11,100	19,600
3A. Live in substandard unit (only)	9,000	7,300	6,600	4,900
3B. Pay more than 30% of income for housing (only)	7,700	30,700	4,100	13,400
3C. Both housing assistance needs	6,000	12,000	400	1,300

Source: 1981 American Housing Survey (AHS), U. S. Bureau of the Census. Estimates are based on samples.

Table II

HOUSING CONDITIONS

Condition of Units	Total Number	All Occupied	Low and Moderate Income	Vacant
Housing units with major deficiencies	8,300	6,900	5,000	1,400
Housing units with minor deficiencies	61,900	60,300	43,300	1,600
Housing units with no dificiencies	326,300	294,700	113,400	31,600
Totals	396,500	361,900	161,700	34,600

Source: 1981 American Housing Survey (AHS), U. S. Bureau of the Census. Estimates are based on samples.

Notes: "Major deficiencies" and "minor deficiencies" defined according to HUD criteria recommended for use with AHS data. "Low and moderate income" (for a family of four) defined as a household income less than 80% of the area-wide median family income.

Table III

INCOME AND TENURE OF "WORST HOUSING" UNITS

	Low Income	Moderate Income	Total
Owners	1,100	200	1,300
Renters	2,900	800	3,700
Total	4,000	1,000	5,000

SOURCE: 1981 American Housing Survey (AHS), U.S. Bureau of the Census. Estimates are based on samples.

IV. Strategies

The picture is clear. It, however, is not a pretty one. In consideration of the City's desire and, hopefully, its intent to expand its role in the provision of low income housing the following strategies are suggested:

STRATEGY ONE

Note: San Antonio has such a program

Develop a Replacement Housing program that assists to 250 low and moderate income homeowners over the next five years. The City's Home Improvement program is regulated by a variety of local, state and federal laws. In turn, some households with the most urgent substandard conditions are not provided assistance. In the past two years approximately 170 or one-fourth of the households applying for assistance have been denied. The net result is that low and moderate income homeowners must continue to reside in seriously substandard housing.

An effective replacement housing strategy can provide the City a means to assist those owner-occupied households in improving their housing conditions; it would serve as an alternative to demolition and displacement; and, it would encourage neighborhood preservation and stabilization.

Participation in the program would be limited to low and moderate-income homeowners who qualify for hardship assistance.

STRATEGY TWO

Develop programs to encourage the rehabilitation of vacant structures which are suitable for rehabilitation and scheduled for public or private demolition in an effort to foster homeownership.

A significant number of units are lost in the course of commercial and residential redevelopment. This is a particularly serious problem in neighborhoods within close proximity to downtown. In February of this year the Department of Housing and Neighborhood Services reported that of 97 vacant dwelling units ordered demolished by the Urban Rehabilitation Standards Board (URSB) twenty-two of these structues were feasible for rehabilitation. In order to conserve salvagable housing units for homeowners several approaches could be implemented. There are three such programs which could foster homeownership for low-and-moderate income households:

- In cases identified by code enforcement and scheduled for demolition, the City should acquire (through donation or purchase), rehabilitate and sell the structures at cost at below market interest rates. This approach would involve the rehabilitation of structures "in place."
- In situations where private demolitions are planned (identified at time of building permit application) the City should encourage donation of the structure(s) to the City or a local non-profit. The units could be rehabilitated and sold at below market interest rates. This approach would involve moving the structures to "in-fill" lots. In these instances the City should waive all permit fees and grant variances where appropriate (e.g. zoning--setback requirements).
- Some portion of the units in either of the above cases, with only minor deficiencies, may be acquired by the City and sold at a nominal fee under a local Homestead program. The purchaser assumes responsibility for rehabilitation.

Furthermore, a potentially effective alternative to demolition to consider is a revision to Chapter 27 of the Dallas Code granting the Director of Housing and Neighborhood Services or his designated representative the authority to require a vacant structure (determined to be suitable for rehabilitation) to be "securely closed and made safe." This authority is currently granted to the URSB. The affect of this change could result in an increased utilization of the "closure" program. When combined with the mow-clean operations significant liens, in turn, could be attached to the property placing the City in a more favorable negotiation posture for acquisition through donation or purchase.

In all cases of this nature the City should process the structures through the URSB for demolition if the structures are not repaired, acquired or donated.

Rather than continue to allow many of these viable structures to be removed from the housing stock, the City could under this strategy, reclaim 200 units over the next five years to expand low income homeownership; thereby increasing the tax-base, encouraging spatial deconcentration and neighborhood stability.

STRATEGY THREE

Develop a program to acquire, rehabilitate and deed to a local nonprofit corporation for public ownership and management 500 units of substandard (suitable for rehabilitation) rental housing over the next five years.

There are approximately 70,000 lower income renter households in the city with a housing need. (Need is defined as residing in a substandard condition unit and/or paying more than 30% of the household income for rent). The Dallas Housing Authority currently operates 7,600 rental units. The current inventory is insufficient to address this need.

The benefits of this strategy are as follows:

1. The cost to the City for acquisition and rehabilitation of a multifamily project will directly assist more units than channeling monies through a project developer.
2. Under public ownership the units will remain affordable to lower income households.
3. The benefits of using a non-profit corporation would be that the City could reserve a portion of these units each year to facilitate other City program activities.
4. The available supply of low-income units will be increased.

STRATEGY FOUR

Develop a locally-sponsored rental rehabilitation program to expand the opportunities for rehabilitation of privately-owned, renter-occupied and substandard housing units to assist 500 units over the next five years.

In the past two years, Dallas has received $1.7 million from the federal government under the Rental Rehabilitation Block Grant program. The intent is to reduce directly the rehabilitation costs while maintaining the rents at a level affordable to lower income tenants. Because the federal program will be greatly diminished or dropped, the City will provide rehabilitation costs at a level of 50% of the costs of rehabilitation or $5,000 per unit.

The locally-sponsored program will provide incentives to property owners while assuring that tenants will not be negatively impacted. The program will support the City's code enforcement efforts by providing a funding vehicle for rehabilitation. This program can also be used to support the HFC multifamily bond program.

STRATEGY FIVE

Provide direct assistance payments to the Dallas Housing Authority to assist 500 large family certificate holders over the next five years.

There are currently no programs which are directed exclusively towards meeting housing needs of large families. The Section 8 Existing program establishes fair market rents at a level below the private market rental rate thereby excluding large families from participation. This program has allocated approximately 450 rental assistance certificates to large families. This is 12% of all certificate available in Dallas. Therefore, the unmet needs of this segment of the population is approximately 9,500 households.

This strategy is the most direct and cost-effective means of minimizing the needs experienced by this special client group. Rent assistance payments have consistently been found to be the most beneficial for the least amount of program expenditures and require the least amount of administrative time.

STRATEGY SIX

Expand the Relocation Program to include use of the Local Option and Last Resort provisions of the Uniform Relocation and Real Properties Acquisition Act of 1970. The expanded use of this Act will serve approximately 400 households over the next five years.

The expanded use of these provisions of this Act will help the City assure fair and equitable treatment of households who are affected by code enforcement and acquisition activities. The Last Resort and Local Option provisions grant the City the ability to provide increased assistance to households affected by City actions in a high-cost housing market.

STRATEGY SEVEN

Construct of 1,000 units of publicly owned housing over the next five years for low income households.

To carry out this effort the City should use a variety of local non-profit corporations, to include the Dallas Housing Authority, the Housing and Economic Development Corporation and the Housing Finance Corporation.

The emphasis of this effort will be to meet the pressing needs of the lowest income households who reside in a unit with substandard conditions and pay more than 30% of their income. There are currently 12,000 low income households within this category.

STRATEGY EIGHT

Assist the Dallas Housing Authority in meeting infrastructure needs of Low Rent Public Housing, as recommended in the Task Force Report on Public Housing.

This will result in 33 lane miles of streets within 8 separate housing project being repaired and/or resurfaced.

Streets within DHA's housing developments are owned and maintained entirely by the Housing Authority. The City has never assumed responsibility for the streets. This project is beyond the financial means of DHA.

STRATEGY NINE

Require the registration of all privately owned rental properties within the City of Dallas.

By requiring residential rental unit registration the effectiveness of City's code enforcement effort will be improved. This strategy will require all rental property owners to register and/or identify a responsible agent for the property. There are approximately 39,000 substandard rental units.

STRATEGY TEN

Develop a program to provide lower-income households an expanded opportunity to participate in the Housing Finance Corporation Single-Family Mortgage Revenue Bond Program.

The Single Family Mortgage Revenue Bond Program of the City of Dallas Housing Finance Corporation offers mortgage funds to first-time homebuyers. Operating through participating lenders, the program provides funds for 30-year fixed rate mortgages at 10.8% interest rate. This rate makes it possible for some moderate income homebuyers (those with incomes around 80% of the area median) to qualify for mortgage loans.

The reduced rate is not sufficient to allow many lower income homebuyers to qualfiy for a loan. A City provided subsidy, when combined with the funds available through the issuance of the Housing Finance Corporation's tax-exempt bonds, would enable borrowers with lower incomes could qualify, particularly in the Housing Finance Corporation's designated priority area.

Conclusion

There are several additional issues which the City will need to address in the future. These issues are:

Housing Density - As the City grows opportunities must be developed to provide a more balanced housing stock for a wide range of users.

Housing For The Homeless - The City's appropriate role, if any, in meeting the needs of this special population group must be asercertained. The recently established Task Force on the Homeless will undertake such an effort.

Shared Housing - The Community Development Advisory Committee has recommended funding to support such a program. In turn, the appropriate city role will be studied to determine the level and extent of its involvement.

DHA Relationship - Cooperative public and private plans of actions will need to be implemented to improve the Dallas Housing Authority's current service level.

Public/Private Review Team Members

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Dallas Citizens Council

Ms. Virginia Belcher
Community Development Advisory

Rebecaa Bergstresser
League of Women Voters

Walter Blake
Housing and Economic Development Corp.

Mr. Dick Covert
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Mr. John Fullinwider
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Jack Herrington
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Mr. Roosevelt Johnson
Dallas Urban League

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Mr. Jim Richardson
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Dallas Chamber of Commerce

Ms. Susan Stahl

Harry Tanner, Exec. Director
Community Council of Greater Dallas

Ms. Barbara Watkins
Human Services Commission

Appendix I:

Briefing Material

PROGRAM INCOME LIMITS BY FAMILY SIZE*

PERSONS IN HOUSEHOLDS	LOW INCOME	MODERATE INCOME
1	$10,570	$16,912
2	12,080	19,328
3	13,590	21,744
4	15,100	24,160
**	(50%)	(80%)
5	16,308	25,670
6	17,516	27,180
7	18,724	28,690
8	19,932	30,200

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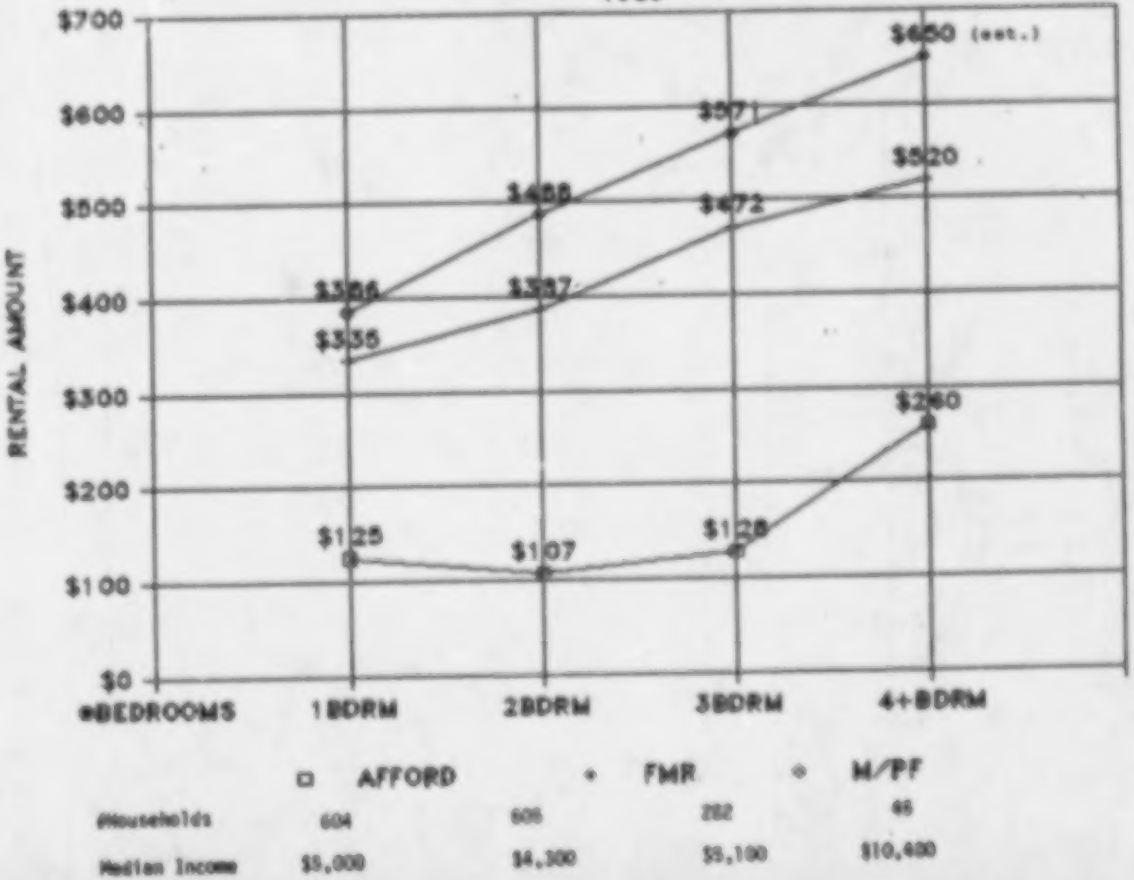
*BASED ON 1984 DALLAS SMSA MEDIAN INCOME OF $30,200

**PERCENT OF MEDIAN INCOME

DHA WAITING LIST ANALYSIS

1985

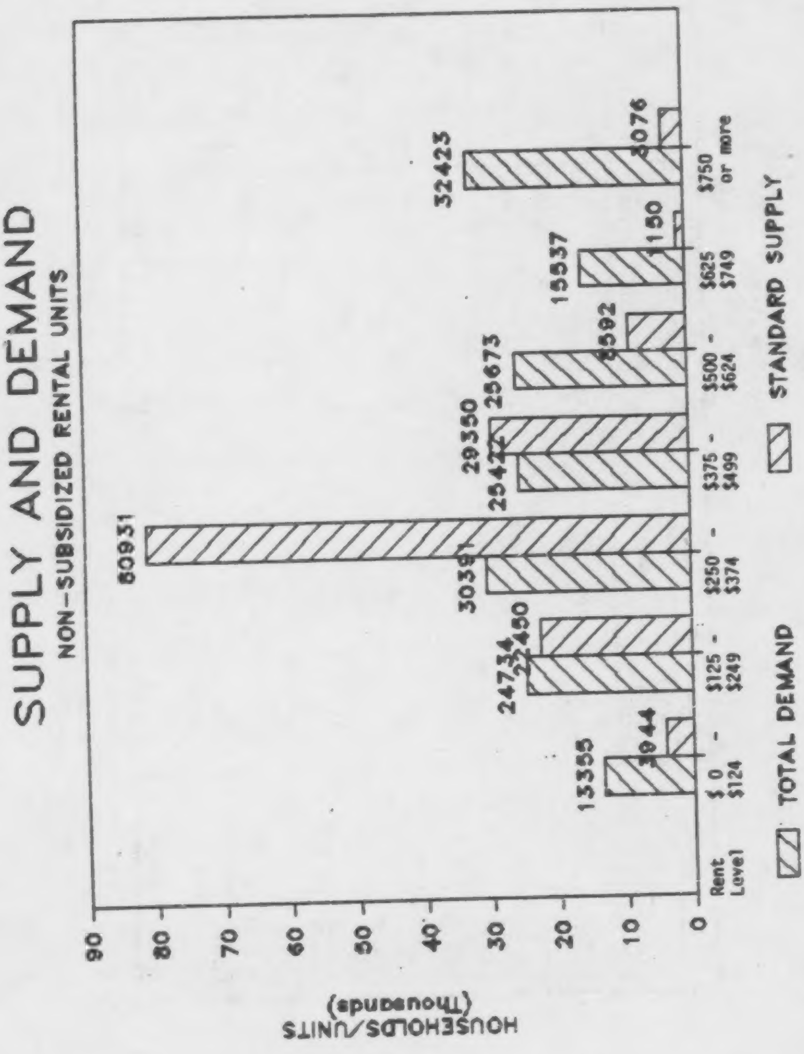


DEMAND FOR AND SUPPLY OF NON-SUBSIDIZED RENTAL HOUSING IN DALLAS

-1981-

DEMAND		SUPPLY						DIFFERENCE
			OCCUPIED		VACANT			
INCOME	NO. HOUSEHOLDS	ASKING RENT	STD.	SUBSTD.	STD.	SUBSTD.	TOTAL STD.	SURPLUS or (DEFICIT)
$ 0 to $4,999	13,355	$ 0 to $124	2,941	3,156	1,003	322	3,944	(9,411)
$5,000 to $9,999	24,374	$125 to $249	19,315	16,361	3,135	165	22,450	(1,924)
$10,000 to $14,999	30,391	$250 to $374	73,160	11,279	7,771	329	80,931	50,540
$15,000 to $19,999	25,422	$375 to $499	27,253	2,423	2,097	-0-	29,350	3,928
$20,000 to $24,999	25,673	$500 to $624	7,025	1,069	1,567	-0-	8,592	(17,081)
$25,000 to $29,999	15,537	$625 to $749	1,150	-0-	-0-	-0-	1,150	(14,387)
$30,000 or more	32,423	$750 or more	2,021	-0-	1,055	182	3,076	(29,347)
Total Demand	167,175	Total Supply	132,865	34,378	16,628	998	149,493	(17,682)

Source: 1981 American Housing Survey (AHS).
Notes: Estimates are based on samples. Census Bureau case weights slightly modified to reflect local inventory estimates for October 1,1981. Table excludes approximately 23,000 rental units subsidized by Federal housing programs. "Affordability" standard is 30% of income.


SUPPLY AND DEMAND
NON-SUBSIDIZED RENTAL UNITS
HOUSEHOLDS/UNITS (Thousands)
0
10
20
30
40
50
60
70
80
90
Rent Level
$ 0 - $124
$125 - $249
$250 - $374
$375 - $499
$500 - $624
$625 - $749
$750 or more
13355
3944
24734
22450
30391
80931
25422
29350
25673
8592
15537
1150
32423
3076
TOTAL DEMAND
STANDARD SUPPLY

HOUSING STRATEGY MATRIX

STRATEGY	Tenure		Income		Assistance Method				Housing Objective				
	Owner	Renter	Low	Mod.	New Const.	Rehab.	*Direct Assist.	Svce.	Hse. Preserv.	Affor-dable	Expanded Opport.	Support Existing	Neigh. Stabiliz.
1. Replacement Housing Program	X		X	X	X	X			X			X	X
2. Alternative to Demolition	X	X	X	X		X			X	X	X	X	X
3. Acquistion/Rehabilitation for Public Ownership		X	X			X			X	X	X		X
4. Rental Rehabilitation Supplement		X	X	X		X		X	X	X	X	X	X
5. Large Family Assistance		X	X	X			X			X	X	X	
6. Relocation Assistance (Last Resort/Local option) Expansion	X	X	X	X	X	X	X	X	X	X	X	X	X
7. New Construction of Publically-Owned Housing		X	X		X					X	X		
8. UHA Infrastructure		X	X					X				X	
9. Rental Registration	X	X	X	X				X	X			X	X
10. Lower Income Homeownership	X	X	X	X			X		X	X	X	X	X
Total	5	9	10	7	3	5	3	4	7	7	7	8	7
%	50%	90%	100%	70%	30%	50%	30%	40%	70%	70%	70%	80%	70%

*Consumer Subsidy

UNIFORM RELOCATION ACT (URA)

- ADVISORY ASSISTANCE - GUARANTEES COMPARABLE, AFFORDABLE AND STANDARD REPLACEMENT HOUSING
- PURCHASE ASSISTANCE —
  - HOMEOWNERS - UP TO $15,000
  - TENANTS - UP TO $2,000 (WITH ONE-FOR-ONE MATCH UP TO AN ADDITIONAL $2,000)
- RENTAL ASSISTANCE —
  - HOMEOWNERS - UP TO $4,000
  - TENANTS - UP TO $4,000
- MOVING EXPENSE ASSISTANCE —
  - REASONABLE ACTUAL EXPENSES
  - FIXED PAYMENT UP TO $500
- LOCAL OPTION AND LAST RESORT REPLACEMENT HOUSING

EXAMPLE OF "LOCAL OPTION" RENTAL ASSISTANCE

(1)	Monthly Housing Cost for Replacement Unit	$ 300
(2)	Claimant's Ability-to-pay	$ 100
(3)	Monthly need: Line (1) - Line (2)	$ 200
(4)	Amount on Line (3) x 48	$9,600
(5)	Amount of "HUD" Rental Assistance Claimed (Amount on Line (4) or $4,000, whichever is less)	$4,000
(6)	Amount of "Local Option" Rental Assistance Claimed (Amount on Line (4) minus amount on Line (5) not to exceed $X)	$5,600

$X - Maximum amount established locally by the City

Chairman Gonzalez. Mr. Bartlett.

Mr. Bartlett. Thank you, Mr. Chairman. I appreciate the last quote in particular from Dr. Martin Luther King because I think that is the issue to use your—the example. And that is, how do you give people a chance to get off those islands of poverty and get onto the continent of prosperity? And it seems to me to continue the analogy that the answer is not to build more islands of poverty wherever.

So let me just ask you this specific question. You said that you do support vouchers, but vouchers are not a panacea, and I agree with that. There is no one program that is the panacea. But if you were sitting in our shoes and had to choose between—with the same amount of money between providing assistance for 40,000 families with vouchers to let them live where they want to pay 30 percent of their income and no more, using vouchers as opposed to—and total freedom of choice to where they want to live, as opposed to using that same money to build 5,000 new units of public housing whenever they may get built with the attendant controversies that come with that, which would you choose?

Mr. Jones. I choose both of them.

Mr. Bartlett. Well, could you choose 10 times as many for both of them, or 100 times? There's not an unlimited amount of public funds. I know the city of Dallas knows that.

Mr. Jones. I think, Mr. Bartlett, to be very candid about it, that the voucher system serves only as a stop gap measure; that if you would look at the long-term cost to the taxpayers over time to provide vouchers versus the cost to provide 5,000 vouchers this year, or to build 5,000 public housing units, 20,000 vouchers versus 5,000 public housing——

Mr. Bartlett. Well, I want to keep some equanimity in the process for comparative purposes.

Mr. Jones. To provide 5,000 vouchers this year, or to build 5,000 public housing units, and say that you'd make a commitment that you have the vouchers in place for 20 years, the cost of providing those vouchers long-term would be much greater than the cost of providing 5,000 public housing units.

Second, by building 5,000 public housing units you then, in fact, insure the availability of the units on a long-term basis for lower income people.

Third, it is not an issue of people being able to move where they want to. It's an issue of people being able to move where they are able to based on discriminatory patterns that continue to exist throughout this particular community.

The very fact that many people would be tainted by many people in the private sector would not allow you to create spacial deconcentration that many people think will occur through the use of vouchers.

And that's a well documented fact when you can just look at the section 8 certificates in this particular community, and you look at where they tend to be concentrated.

I would bet if you would ask Mr. Herrington the question to what extent through the use of section 8 existing certificates are—is there representation in the North Dallas community, you would find probably that less than 5 percent, or 10 percent of your total units in the North Dallas community—I may be wrong on that. But the point is still the same.

Mr. **Bartlett**. Well, I will ask him. I have asked him in the past, and I think there are some difficulties with the concentration of section 8, and it seems to me that one of the solutions for that is to set the fair market rent at the fair market rent, and that the market rent is set too low in this community, in my opinion, as I've told Mr. Herrington in the past.

As segregated as you would contend that section 8 may be, I think study after study has shown that public housing is far more segregated in section 8. And so the solution to segregation is to desegregate not to go—not to resegregate, or to build more units of segregated housing. But let me ask Mr. Herrington this.

Mr. **Jones**. I'd like to respond to that. I concur with you that public housing, traditional public housing, does have a segregated pattern that exists. What you will find, however, is that in many localities throughout this country that much of low-income housing was built, as Mr. Herrington alluded to earlier, on the segregated basis it was built in the inner cities. We have gone in cycles in this particular country. As we had the white flight from the inner cities in the 1960's to the suburbs, the projects in the central cities that were basically built for the—predominantly the white population became totally black.

I have seen success stories, however. And I have seen success stories where you don't build housing on the massive scale that it has been built in this community and other communities.

If you would, you have a member of your subcommittee, the Honorable J. Elks McMillan of Charlotte, NC. I would suggest to you that you go visit and look at some of the scattered site housing projects in those particular communities that exist with 50, or 60, or 75 units that have adequate open spaces where they're not prime written properties, where the maintenance costs are down because the families who occupy those particular structures have amenities that they are willing to care about.

So it's not necessarily a given fact that you create, in fact, another island of poverty. What you do is create an opportunity where people can live in an environment that is—dissimilar from the environment that they have been accustomed to based on the poor planning and practices of the past patterns of approval and processing by the Department of Housing and Urban Development.

Mr. **Bartlett**. There's some merit to what you say. I suppose the final merit is you still serve people best by letting them choose their own living sites as opposed to choosing it for them.

But let me ask Mr. Herrington because I do have a question on your section 8 certificates.

Can you tell us how many existing section 8 certificates the Dallas Housing Authority operates. And one of the criticisms of vouchers in many localities that it's valid is that with the vouchers there's still a housing shortage and no place for people to use them.

Do you have any—how many vouchers do you have that are not in use where people haven't been able to find units to live in?

Mr. **Herrington**. I haven't checked this week. I've got Tony Rios, who is involved in that, and can give us probably specifically what it is, but we're in the neighborhood of probably 200 or 300, I would guess. We got a new allocation not long ago, but we do not have any great surplus of section 8 existing units.

There is a demand, and a need, and right now we have people out looking for section 8 units that, I believe I'm correct, would exceed the numbers that are allocated.

Mr. Tony Rios is a director of resident services for the Dallas Housing Authority, and has responsibility for the section 8—overview of the section 8 existing program, and the tenant selection activities.

I might tell you that——

Chairman GONZALEZ. For the reporter, that's spelled R-I-O-S.

Mr. HERRINGTON. That's correct.

Chairman GONZALEZ. At least the last time I checked in San Antonio they were still spelling it that way.

Mr. BARTLETT. A terribly important part of the decisionmaking process is you're saying that there are 603 certificates that are unused. Is that an aberration, or is that——

Mr. RIOS. Six hundred three existing certificates. Those families are out looking for housing right now.

Mr. BARTLETT. And is that an aberration because you just got some new ones, or is that typical?

Mr. RIOS. We just got some new ones that we started to open up more applications, taking applications for section 8's.

Mr. BARTLETT. My question is when someone gets a section 8 certificate is it typical that they would not be able to find housing, or is it typical that they're able to find housing?

Mr. RIOS. Well, it's a 3-to-1 situation for every 3 certificates we issue, one person will find a housing unit.

Mr. BARTLETT. What happens to the other certificates?

Mr. RIOS. The other certificates are turned around. We continue to take applications for families until we reach our allocation.

In other words, a certificate where someone was not able to find a unit that they liked comes back to the public housing. A family is issued a certificate for 60 days to find a housing unit. If they can't find a housing unit within 60 days then their certificate expires and we allow another family an opportunity to find housing.

Mr. BARTLETT. And you're saying that two-thirds of the certificates you issue the families are not able to find housing within 60 days.

I mean, if you raised your rents, your fair market rent by 20 bucks, or by 100 bucks, would that change that? What could you do to change that?

Mr. RIOS. Well, we think that if we did raise the rental limits that we would be more successful in finding housing. That's the situation as it exists today. A couple of years ago when the rental rates were adequate it was like a 2-to-1 situation. So as the rents—as the rental limits—when they don't increase, then the family has a harder time locating housing.

Mr. BARTLETT. Who sets the rental limits?

Mr. RIOS. Housing and Urban Development.

Mr. BARTLETT. So HUD sets the rental limits, and you're suggesting too low?

Mr. RIOS. Yes.

Chairman **Gonzalez**. Well, you know at this point—I want the record to show that HUD has frozen those rates at this time.

Mr. **Bartlett**. Thank you. I'd also have the record show that one of the issues that we grappled with in the subcommittee, and with some success, but not as much as I would have chosen, were able to get in H.R. 1, or in the Housing Bill, that we encourage HUD to—require that HUD raise those rental rates up to the true fair market rent, and I think that's been one of the problems.

I have one other technical question, and then I know you have a presentation you'd like to make.

And that is, are public housing tenants permitted to apply for section 8?

Mr. **Herrington**. Yes; not the ones that are in the developments, no, we do not do that, and the reason is that it is costly for us when they move out of a unit to make it prepared for someone else and with the needs that we have that are so acute, it seemed more appropriate that we try to satisfy those that do not live in assisted housing at this time before we move to any other choices of moves.

Mr. **Bartlett**. Is that Dallas Housing Authority's policy, or is that required by Federal law and regulation?

Mr. **Herrington**. It's our policy.

Mr. **Bartlett**. I thank you. You had wanted to say something.

Mr. **Herrington**. I thought this map might respond to the questions that were raised better than——

Chairman **Gonzalez**. Excuse me. If you'll yield at this point. I'd like the record to show too that when we speak about housing vouchers, and we're talking about section 8 certificates, we're not talking about the Housing Voucher Program that has recently been inaugurated. There are two different types of Federal housing assistance with very fundamental differences. For instance, section 8 certificates have definite limitations, such as the limitation that tenants may not contribute more than 30 percent of their income toward rent.

Mr. **Bartlett**. I thank the chairman for helping me clarify that. Housing vouchers, also a person pays 30 percent, or pays for 30 percent of their income for the fair market rental. The voucher is for a specific amount of money, and then the resident then chooses their own location, and if they choose to either have something for that exact amount, or to pay extra in rent, then they can. So it relieves the shortage, but then the tenants may end up paying an extra $20 a month, or more. It does relieve the shortage.

I wonder if you could tell us about the geographic consequences.

Mr. **Herrington**. When you raised the question we had the map that we got here a little bit late with, but I thought might reflect better than I could the location of our section 8 allocation where their people are housed.

This is a little misleading because the red dots—well, both of them—the chartreuse, or whatever it is, color, are for elderly. And the red dots are for families. And the dots are not necessarily the size of the numbers and the location.

So we are proud of the fact that we have an overall distribution of this section 8 units, but they clearly are concentrated in the Oak Cliff, South Dallas areas.

Mr. **Bartlett**. If HUD were to raise their fair market rents to more approximate fair market rents in Dallas, TX, in your opinion, would you see more of a dispersion of those——

Mr. **Herrington**. I think we could move up somewhat if that were done.

If I might say, we've been doing some models ourselves and study of the issue, and I would be pleased for the opportunity to go over those with you, Mr. Bartlett, because I think they are quite revealing. When you narrow it down to a specific unit, and you get the dollar cost of a voucher, or section 8 existing verus the cost of building something with a subsidy, they're very interesting things to see. And it is quite revealing.

I share the belief that there ought to be choices, that we shouldn't get ourselves locked into one direction with anything, whether it was public housing, vouchers, section 8, or anything else. And I would simply plead that.

Mr. **Bartlett**. Mr. Chairman, I have an additional question briefly on a separate subject, and that is the issue of the homeless.

I wonder if either of you would care to comment on whether, in your opinion, that Federal law should permit, or encourage public housing units to be—some sections of public housing to be used for emergency shelter 6 weeks, or 8 weeks, or something like that, as a temporary shelter for homeless.

Is that, in your opinion, a productive use of public housing units, particularly ones that are vacant now that could be repaired?

Mr. **Herrington**. I think it is a critical problem. I'm not sure—I don't think you could take the regular Public Housing Program and fit it there very well. I think that where there were, if there were surplus units in a community, it would be particularly desirable to review something of that kind.

I do think it's an area—I think it's something that can be addressed. We in Dallas have worked with the city and have a program of temporary housing out in the Lake West area. We've taken two buildings, and I believe it is the Red Cross that is administering the program under contract, so that they're the ones that actually administer the program. It was the housing authority with the support of the city and funds provided by the city that set those units up.

But that's a very limited kind of thing, and it does not really approach the needs of people, the homeless in Dallas.

There are other areas that I would say that really I would love to see the Congress and those of us in our housing industry begin to address.

I think one of the most critical problems that we have is that our welfare programs seem to work together to kind of lock people into situations. That is not to say that I'm ready to do away with those, and that's the other—when you start talking about that, people jump to the conclusion that therefore we ought to do away with it. That is not what I'm saying.

But I am saying that when you take food stamps, you take Medicaid, you take AFDC, you take the public housing subsidy, and then with the way these programs are set up and administered, we do tend to lock people into an economic situation that's very difficult for them to elevate themselves from.

I think there needs to be coordination of those kinds of programs to be much better than it is.

For the—if I had advice of how—if I could do something, set the world up differently, I think I'd go back with the Public Housing Program so that it was kind of like the pre-Brook era, where the housing authority had the responsibilities for running the units without operating subsidy. That is not to say that we ought to do away with subsidizing the needs of the poor, but if those programs, that subsidy, and all of the others were then put together in under a single social program system that would provide the delivery of service in a coordinated way, I believe we'd be better off, and I kind of think the country would be better served. But that's a personal opinion.

Chairman **Gonzalez**. Well, thank you both very much. We're very grateful to you. I think your contribution is going to be most valuable to us, and want to thank you, Mr. Jones, for your research and your very cogent presentation.

And, of course, Mr. Herrington, we praised you before, and we'll close the record praising you again.

Our next panel—if there's no objection, we'll just go on ahead, and then abbreviate the lunch period.

I know that these witnesses have been waiting here patiently. We have Ms. Gwain Wooten, former president of the Washington Place Tenants Association; Rev. Leroy Haynes, director of the Black Block Partnership Program; Ms. Elizabeth K. Julian, Esq., of the firm of Julian & Daniels; Mr. John Fullinwider, executive director of Common Ground, and we're getting your name places and seats there at the witness table.

I know that we have overextended our time schedule. Any member of the panel that has time constraints or pressures that wishes to be heard first, just signify and we'll try to—if there's no objection we'll recognize you first. Otherwise, suppose we start clockwise and recognize the person we have listed on our sheet first, Mr. Wooten.

STATEMENT OF GWAIN WOOTEN, FORMER PRESIDENT OF WASHINGTON PLACE TENANTS ASSOCIATION

Ms. **Wooten**. Good morning, and thank you for inviting me here to testify concerning the destruction of Washington Place housing complex. I have a statement here that I have prepared to give you a brief statement concerning my interpretation of what happened concerning the destruction of Washington Place.

The true manipulation—that this city used to displace a community is in violation of the minorities in this city's constitution and civil rights. The residents of Washington Place have been asking about the sale since 1976. The Dallas Housing Authority continued to state that there was no discussion about the sale of the said property.

In 1983 when the authority did come to the community and tell us that they will begin to process replacing residents in a more suitable housing complex was when the confusion began. About 2 years before the sale was discussed openly the board had approved that upgrading of all housing units in this city, and Washington Place was one of the first housing complexes to begin repair.

The authority had replaced refrigerators, stoves, they had replaced tiles on floors that did not have tiles, the exterior and interior was painted and repaired, the storm screen doors used in the remodeling throughout the city were first used in Washington Place. Washington Place was one of the facilities that was—had washeteria hookups, we had big lawns, we had the trees, we had a very good community as far as I am concerned. We were the first to begin modernization.

Washington Place was the one housing complex whose residents were predominantly African American in an integrated community. The apartments were a sound structure and stronger than the presently remodeled Roseland Homes complex. The storm doors of Roseland Homes are faulty, they will lock you out of your house, the sinks in the kitchens are surrounded with plywood which comes apart if it gets wet, the mail slots deny you the right to privacy because you are not in control of who can open them and close them.

It was the infestation of racism in this city that destroyed the reputable housing complex for the poor, a complex where the lowest crime rate in the city for public housing residents, a complex that was sure to motivate to become professionals, to learn a trade, or to go to vocational school, or to get a college degree.

Washington Place was a community that was destroyed not because it caused a problem to Baylor, or the housing needed moneys for the administration building that the executive director wanted, but clearly because the city did not want a pocket of poverty in its back doors.

Some examples of the tactics used by DHA and Baylor to force residents to move were residents were told by management that the apartments had been sold and if they did not come to the office for relocation they would be evicted.

Tenants were coerced into moving into lead contaminated areas were soil had to be removed because of the health problem that lead caused; there was no explanation of the health hazards there before they were forced to move. Residents were evicted without their rights given to them as public housing residents, and there were rights being denied to them today.

During illegal evictions and harassments the tenants received from Baylor and DHA, when units were vacated they were boarded up. Baylor demolished buildings and the vacant units in Washington Place gave haven to rodents and tenants moved because their homes became infested with rodents, and housing would do nothing to stop the increase of the rodent population before the board had approved the sale.

Baylor supported DHA by offering their employees who had worked for them for free for transportation to work. Baylor also offered jobs to residents of Washington Place. To my knowledge, I know of no one who was hired because of the sale, and no one was hired, and residents did apply.

I was personally involved in the legal evictions and the charge of the housing authority and Baylor. This authority has tried to evict me before the sale, as well as after. About 2 weeks ago one of the three grievances that I have had to file against DHA because of all the charges and lease disagreements since the destruction of Washington Place, and they still owe me money for cost of courts that has been charged to me, and they refuse to credit it to my account, and stated that the last grievance that I should not ask them to go past May of 1984 because it would cause too much of a burden to create our overcharges.

They are evicting tenants for bills owed in 1978. There is a tenant that has no place to live because of a bill that they said she owed them in 1978. To this day she is a street person.

A former resident of Roseland Homes, Ruth Lambert, the same tactics used by DHA concerning Washington Place being used at Roseland Homes, and there is no talk of a sale.

When the residents of Washington Place visited their friends at Baylor the guards would tell them they would have to use the front entrance to exit or to buy gifts of food from the shops, or restaurants, and they would have to walk around Gaston to Washington Place.

My son was subdued by a guard at Baylor. His life was threatened by the guard. He was told to reach for a knife so he could blow out his brains. I took him to Baylor Emergency where he was refused treatment, and my husband carried him to Parkland Hospital. I called the police and was insulted by them and said my son had committed a criminal offense and he lied on the police report. This was reported to the city council.

Me, my son, and three of his friends were arrested for criminal trespassing. I was arrested for disorderly conduct because I refused to stop talking and was scratched in the face by the Dallas Police. She told me to shut up. I stated the freedom of speech was a constitutional right. And a male officer stated he did not want to hear a f—— thing about a constitution.

My charges were thrown out of court. The arresting officer did not show. Not only my son, but anyone that the guards suspected of being Washington Place residents were harassed.

There were several demonstrations to bring the attention of this displaced community to people and to stop housing from giving this property to Baylor for a minimal cost.

The African American that read the resolution to demolish Washington Place was appointed by the board of directors, was appointed by the correction—was appointed by Mayor Robert Folsom, who was the chairperson of the fund raising committee of Baylor expansion. It was the scum of segregation and the hatred of my people that caused the destruction of this community. America can only right her wrong of brainwashing a people with fear and hatred with the proper development mentally as well as physically.

The Civil Rights Commission does not interpret a citizen's right in this city, and if it gives it to the court the justice system can find cause for the ridicule that African Americans receive.

The lawsuit that was filed in April of 1984 under duress, stress, and mental anguish, the tenants agreed to co-op in an integrated community. The lawsuit gave what we asked for to the private sector because we would not romance segregated housing and a segregated community with shotgut housing built on logs in 1984. We had to agree to be without an attorney, and no housing for the poor in this city. The priority for Washington Place Resident Council was housing.

Since my childhood in this city I have seen my people regress while white live in the inner city in the two story homes that African Americans once owned. African American businesses have deteriorated. Apartheid has been established. African Americans live in the southern sections, and whites in the north.

Over 100 years after the war between the States, and over 25 years after civil rights bill, my people have regressed in their employment, education, politics, and economics. How was the reconstruction destroyed after the War Between the States? We as residents of public housing in the city of Dallas are presently prisoners. We cannot receive cable when it would enhance our understanding of this Government, as well as others who have no democracy.

Thank you.

[The prepared statement of Ms. Wooten follows:]

The Distruction Of Washington Place
Housing Complex

To: The Housing and Urban Development Sub. Committee on Housing.

The schrud manulation and touture, that this city used to displace a community, is a violation of the minorities, in this cities Contitutuinal and Civil Rights.

The residents of Washington Place, had been asking about the sale, since 1976. The Dallas Housing Authority continued to state that there was no discussion, about the sale of said proporty.

In 1983 when the Authority, did come to the community and tell us, they would began the process of replaceing resident in a more sutible housing complex, was when the confusion began.

About two years before the sale was discussed openly, the board, had approved the up grading of all housing units in this city, and Washington was one of the first, housing complexes to began repaire,

The Authority had replaced refrigerators, stoves, tile, the exterior and exterior was painted and repaired. The storm screems used in the remolding throughout the city were first used in Washington Place. Because we were the first to began remolding.

Residents were evicted, with out there rights given them, as public housing residents and there rights are being, denied them today.

During the eligal eviction and the Harressment, that tenants received from baylor and DHA. When units were vacated they were boarded up, Baylor demoloshed buildings, and the vacants units in Washington Place gave haven to rodents, and tenants moved becausec there homes became infested with rodents and housing would .do nothing to stop the increase, of the roden population. before the board had approved the sale.

Baylor supported DHA by offering there employee, who worked for them free transportation to work. Baylor also offered jobs to residents of Washington Place. To my knowledge I know of no one who was hired because of the sale. There have former residents who have applied.

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This Authority has tried to evicted me before the sale as well as after. About two weeks ago one of three greviences that I have had to file against DHA, because of overcharges and leas disagreements. since the Distruction of Washington Place and they still Owes me monies, for cost of courts that has been charged to me and they refuses to credit, to my account and stated at the last grevience that, that I should not ask them to go past may of 84, because it would be too much of a burden to credit all over charges, and they are evecting tenants for bills they owed in 1978. There is a tenant that has no place to live because of a bill, that they said that she owed in 1978, to this day she is a street person. A former resident of Rosland Homes. The same tactics used by DHA concerning Washington Place and there is no talk of a sale.

When resident of Washington Plase visited there friends, at Baylor, the guards would tell them they would have to use, the front entrance to exit, after buying, gifts or food from a shop, restrurant, and they would have to walk around to Washington Place.

My son was subdued by a guard at Baylor, his life was thearten, by this guard, he was told to reach for a knif so that he could blow out his brains,. I took him to Baylor Emergency where he was refused treatment, and my husban carried him to Parkland Hospital. I called the policed and was insulted by them as if my son had committed a crimal offence and he lied on the police reported, this was reported to the city councile.

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Not only my son but any one that the guards suspected of being a Washington Place Resident were harressed.

Washington Place was the onehousing complex, whose residents were prodomently African American in an inrergrated Community. the apartments were of sound struture, and stronger than the presently remolded Rosland Homes Complax. The storm doors are faulty, they will lock you out of your house, the sinks in the kitchen are surrounded with plywood, whioh comes apart if it gets wet. The mail slots denied you the right to privicy, because you are not in control, of who can open and close it.

It was the infestation of rasiem in this city that distroyed the rebitual housing complex for the poor, a complex who had the lowest crime rate in this city, for public housing residents. A complex who children were motivated to become professional, to learn a trade, go to Vocational School or get a College Degree.

Washington Place was a community that was distroyed, not becaused it caused a porblem to Baylor or that Housing need monies for the Administration Building that the Excutive Director wanted, but clearly because this city did not want a pocket of proverty, in its back door.

Some example of tactics used by, DHA and Baylor to force resident, to move were;

Residents were told by mangement that the apartment had been sold and if they did not come to the office, for relocation they would be evicted.

Tents were corhersed into moving into lead contaminated areas, where soil had to be removed because of the health problems, that lead can cause. The was no explanitation of the health hazzards there.

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We as residents of public housing in the city of dallas are prisoners, and cannot receive cable, when it would only enchace ournunderstanding, of this government, as well as others who have no democrocy.

Chairman GONZALEZ. Thank you, Ms. Wooten.

We'll proceed with our next witness, Ms. Julien.

STATEMENT OF ELIZABETH K. JULIEN, FIRM OF JULIEN & DANIELS

Ms. JULIEN. Thank you, Congressman. My name is Elizabeth Julien. I'm a partner in the law firm of Julien & Daniels. My partner, Mike Daniels, is here, and will speak this afternoon. He's divided up our responsibilities today.

Michael was the primary attorney in our law firm representing Ms. Wooten and one of the other tenants in the lawsuit that was filed to stop the sale of Washington Place, or negotiate some sort of settlement. That turned out to be impossible.

When the lawsuit was originally filed the discussion as we understood it, and certainly as our clients understood it, about the sale of Washington Place, had been going on sort of subrosa for a long time. But the point at which the tenants were actually brought into the discussion, so late in the day that it was difficult to stop the momentum, was in the spring of 1983, and the lawsuit was filed primarily based upon a statutory provision setting out the criteria for the demolition or sale of public housing that suggested, and I'll paraphrase, that the housing that they wanted to destroy or sell could be—it was financially feasible to rehabilitate it rather than sell it, and that it should be retained.

And that was sort of the legal post that we were hanging our head on when the lawsuit was filed because we felt that that would be a criteria that HUD and housing authority could not show was in this instance to be true.

As Ms. Wooten outlined, the basic structure of Washington Place was sound. We thought if we got into the lawsuit and had the resources to do it we could challenge any assertion by the housing authority, HUD, that it would be cheaper to replace that housing than to destroy it.

During the previous litigation, of course, there was so much political agitation in the goings on outside of the legal arena during the time pending the lawsuit, the law was amended particularly to move the statutory criteria having to do with the feasibility of the destruction of the property being the major criteria.

That was still in the regulations, but when the statute was changed in general—the more specific criteria was changed to a very general one, basically saying that the sale has to be in the interest, the best interest of the tenants and the housing authority.

Now, from a legal standpoint as lawyers, if we are ever faced with the situation again, and giving what Commissioner Price said this morning, and I would agree, I think we may be—the term best interest of the tenants at housing authority is not without any legal force. But I think it invites more litigation rather than less. It is a general—it invests so much discretion in the Secretary of HUD. That means if the Secretary makes the determination of best interest without any more criteria than that, you're going to have—as lawyers representing tenants we'd have to go into court and try to convince the court to—on the basis of our lawsuit what is in the best interest, and what are the criteria that the court ought to impose in any given situation to determine whether it is, in fact, in the best interest of the tenants and housing authority to dispose of the property in question.

The criteria that was ultimately used in settling the lawsuit with HUD and DHA was criteria that I think would be—need to be used in the settlement, or in dealing with any of these cases where you have the housing authority wanting to dispose of the property.

I'm assuming if you think you could try to stop it, what you want to show is that the housing authority is not offering anything that would make that destruction more in the best interest of the tenants than retaining that housing and fixing it up.

One of the main criterias was obviously one for one replacement. Now, you'd think that would be pretty—no argument about that. But, in fact, there was. I don't want to rehash that whole history of the negotiations, with the city, with HUD, with the housing authority, and so on, and so forth. But suffice it to say that the—it was not generally accepted there would be one—real one for one replacement for the housing at Washington Place.

The second thing, the second criteria that we as attorneys sort of hammered on as we negotiated, was that any replacement housing had to be in as desirable or more desirable an area.

One of the real problems of Washington Place sale was not—that housing was in an upgrading area. I mean, you know where it is; you know what it is; and everybody knew—the general perception was that those people were being displaced because they were perceived to not be compatible with the upgrading of the area in some manner.

It was our position at least as far as the housing authority goes they should always take the position that if they have a good piece of property, it's in an upgrading area, they ought to hold onto it and provide all the benefits of the upgrading to the tenants that are living there, or could potentially live there in the future.

If an area is getting real nice there's—from the housing authority's perspective, it's hard to see why they should immediately want to take their tenants out of it. It seems like they want to keep them in and let them enjoy the better shopping facilities, and other things that come with that kind of revitalization.

So we use as a criteria that any new housing had to be in as desirable an area.

And the third thing related to perhaps—and it alluded to, and specifically made reference to by Ms. Wooten, was that it had to be in a nonminority impacted area.

You as Congressmen are well aware of your sites, what are your criteria, and the reasons for that, and the affirmative marketing plans, and actions in your marketing of your public housing. This was a location that was uniquely suited we felt to provide a more integrated housing environment than DHA offered many of its tenants. While the residents were predominantly minority, it is in an integrated community area.

As you well know, Dallas is an extremely residentially segregated city, so offering public housing tenants the opportunity to live in an integrated area we considered a high priority, particularly since so much of Dallas public housing was built in a separate but equal basis, and that has never been a situation that's been dismantled. We felt like the housing authority was missing a real bet not to hold onto Washington Place and use it as a tool for disestablishment of its—segregated system.

My partner will speak more on the segregation issue this afternoon, but that was definitely an element of the Washington Place lawsuit and the concerns that were ultimately incorporated in the settlement agreement—agreed judgment that was entered in April 1984.

I want to briefly make some comments about the status of the implementation of that order, which I believe you have been provided.

Mr. Herrington has said the 91 or 92 units at Simpson Place—I think they're already pretty much for occupancy. The second phase of the—or implementation of the order providing for the two bedroom apartments that were destroyed at Washington Place has just been sort of taken a giant leap forward since actually the previous hearings were scheduled.

The housing authority has purchased over in the East Dallas area an apartment complex to do moderate rehab, 156 units, I believe. It's just ideal from the standpoint of the order, in terms of the order.

But the problems encountered by the housing authority in getting those 150 units—I want to call attention to, they've not really been alluded to too much today because it is the kind of problem that you're going to always be facing if you tear down existing housing and then go out and try to replace it.

The political climate in most communities, and certainly in Dallas right now, is so hysterically opposed to the development of any new public housing in my neighborhood that you just have to figure that into how realistically you can go about getting that property, even if you can afford it.

This town park project that was—that now is being implemented by DHA, they weren't going in and building new units. The apartment complex was there. The people who live there, it's an integrated apartment complex. It is in a gentrifying area, and you have people who live in there who actually a lot of them apparently are eligible for low income housing. So you're not talking about a—really altering anything about the character of the complex except probably by getting DHA in there you have the managers of that complex will be more accountable to the community.

So it should have been perhaps a positive thing, but the firestorm that hit was anything but positive from anybody's standpoint. It was ugly. It—overtones of racism on the part of the neighborhood opposition, that was unfortunately not unique to that particular project.

I think it will happen anytime you are trying to take public housing on any kind of project basis into more affluent or white areas, and I while we are—we have been at odds most of our professional careers, my partner and I with housing authority, probably will be again, they are to be commended for an extremely courageous decision when they voted to do that because it was a very unpleasant experience.

And so that brings us to the last phase of this order, and how unpleasant that's going to be. That's 106 units. Mr. Herrington said three and four bedroom. That's family. That is not elderly. That's the—to skip over and talk turkey on it, three and four bedrooms is the family unit everybody most gets upset about when you talk about putting public housing into their community.

Those 106 units, and where they're going to be located, I think could be—from our standpoint is going to be crucial.

The one criteria—now, those units are not required by the court order to be in the near East Dallas area. The one criteria that attaches to those 106 units is that they be in a nonminority impacted area.

Now, I don't know—I was unaware of what Mr. Herrington said, they got land, and where it's going to be, but the standpoint of lawyers, we represent not only the—represent not only the plaintiffs in Washington Place, but right now our law firm is representing a number of low income families, a lot of single parent families, who are in desperate need of housing opportunities. And they want to go where the jobs are, they would like to go to nice neighborhoods, they want the same thing for them and their families as we all want for ours, and the housing opportunities right now are not out there. One hundred six units being put in areas of Dallas that heretofore underserved the poor I think would be a real major step in the right direction.

I know Congressman Bryant was quoted in the paper as saying that there were any number of—he was, I think opposing it, or having—I know he was because his constituents were opposing the town park purchase. And one of the comments he made was there were any number of suitable sites in North Dallas. I'm not telling you nothing you don't know, Congressman Bryant, you know how little housing is out there, if anything. I mean, you can look at the map. The little size of the dots is actually pretty accurate.

And there is no PHA housing, family housing, as far as I know about that's north of route 12 that's actually PHA owned and operated.

So it seems to me that if the community is really committed to doing something about some of the problems we have talked about today in terms of expanding housing opportunities on a fair and equitable basis, those 106 units are to go into areas where there's little or no housing, and give the people the opportunities that all the people who live north of route 12 that that's such a great place to live. There's no reason that there are a lot of people who need that housing couldn't enjoy the benefits there too.

So I would hope that that 106 units, if it's not already locked in somewhere else, that national, local political leaders who come in so often on these issues when there's neighborhood opposition, public housing, or desire to get rid of public housing, would put their collective smarts together and figure out how to get that housing into heretofore underserved areas.

And I think that is a challenge to the Congressmen from this area because they always get dragged in because constituents don't want it. I think it's a challenge to our local political leaders, and I would urge that 106 units be carefully focused on because it's a real opportunity to provide more housing opportunity than is currently being provided.

[The legal documents submitted by Ms. Julien follow:]

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

GWAIN WOOTEN, et al, *
*
Plaintiffs, *
*
V. *
*
U. S. DEPARTMENT OF * No. CA- 3-82-2017F
*
HOUSING AND URBAN *
*
DEVELOPMENT, et al, *
*
Defendants. *
*

AGREED JUDGMENT

The parties, through their counsel, have announced to the Court that all matters in controversy have been settled and requested the Court to enter the following agreed judgment.

It is hereby ordered that:

1. The sale of the Washington Place project (Tex 9-4 and 9-4a) by the Housing Authority of the City of Dallas (DHA) to Baylor Health Care Systems - Baylor University Medical Center is approved by the Court upon the following terms and conditions:

a) one for one replacement of the 347 units at Washington Place will be effected by the provision by HUD of housing development funds to DHA in the form of a reservation of funds by HUD for 106 units and the provision of 150 units of Section 8 Moderate Rehabilitation funds over and above the regular Housing Assistance Plan allocation of such Section 8 Moderate Rehabilitation funds normally made and the rehabilitation of the 91 units at the DHA owned apartment complex known as Simpson Place. These replacement units are those referred to in the HUD letter approving the disposition of the project which is attached to this agreement as Exhibit A.

Neither the reservation of the public housing development funds nor the provision of the Section 8 Moderate rehabilitation funds will be revoked or canceled by HUD without prior notice to the Court and approval by the Court.

b) DHA will develop all 256 units of non-Simpson Place replacement housing in non-minority impacted neighborhoods within its statutory jurisdiction. The present mix of 2, 3, and 4 bedrooms found in Washington Place will implemented in the 256 units of non-Simpson Place replacement units. DHA will make all reasonable efforts to locate the moderate rehabilitation replacement units in the "Near East Dallas Neighborhood" as that neighborhood is defined in DHA's Motion for Summary Judgment Exhibit 19, a copy of which is attached to this agreement as Exhibit B.

c) DHA will make all reasonable efforts to complete site selection for the replacement units within six months from the date of this agreement.

d) DHA will make all reasonable efforts to develop the replacement units so that they are ready for initial occupancy within two years from the date of this agreement.

e) As set out in the Contract of Sale between DHA and Baylor University Medical Center the General Warranty Deed to project Tex. 9-4 will be escrowed. DHA will notify Plaintiffs' counsel prior to the release of the deed from escrow.

2. Each of the four named Plaintiffs will be paid a sum of

twenty five hundred dollars ($2,500.00) by DHA in return for a release from liability for any claims arising out of the transactions covered by this lawsuit including claims based on the lease, Fair Housing Act, or any other cause of action included in this suit. Payment will be made at the time each household vacates its unit at Washington Place and signs the release of liability for DHA. Each of the non-Plaintiff households remaining at The Washington Place project on the date of Court approval of this agreement will receive a rent credit for each households' portion of the rent for a six month period. The credit will be given at the time this order is approved by the Court and each non-plaintiff household vacates their unit at Washington Place and signs a release of liability for DHA.

3. Any motions for attorney's fees and costs shall be filed within thirty days of the date this agreement is approved by the Court.

4-19-84
Date

/s/
United States District Judge

Agreed to in form and substance:

Michael M. Daniel
Michael M. Daniel
Attorney for Plaintiffs Wooten and Ruffin

Jonathan W. Vickery
Attorney for Plaintiffs Miner and Minafee

Leila G Alvarado
Leila G. Alvarado
Attorney for Housing Authority of the City of Dallas

____

Attorney for U.S. Dept. of Housing and Urban Development

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

MAR 22 1984

OFFICE OF THE ASSISTANT SECRETARY FOR
HOUSING-FEDERAL HOUSING COMMISSIONER

MEMORANDUM FOR: Warren T. Lindquist, Assistant Secretary for Public and Indian Housing, P

Thomas Sherman

FROM: Thomas Sherman, Director Office of Public Housing, HGP

SUBJECT: Disposition of Washington Place
Project Texas 9-4; 94A

At your request, we have reviewed the information submitted by the Dallas Housing Authority (DHA) by letter dated February 17, 1984 and the supplementary materials submitted by letters dated February 20, 22 and 24, 1984.

The February 17, 1984 letter is a request (Application) pursuant to newly enacted section 18 of the U.S. Housing Act of 1937, as amended, (Act) for HUD approval of the disposition by the Dallas Housing Authority of the subject Projects. The Application represents that the sale is consistent with the best interests of the DHA and its tenants.

We have considered whether the proposed disposition is permissible under the new section 18 and for reasons set forth hereafter conclude that it is. We recommend that you so determine and approve the sale based upon the third clause of section 18(a)(2)(A)(i), of the U.S. Housing Act of 1937 as amended by section 214(a) of the Housing and Urban Rural Recovery Act of 1973, i.e., that the property's retention is not in the best interests of the tenants or the DHA because of factors, other than those enumerated in the first two clauses, which the Secretary determines are consistent with the best interests of the tenants and the PHA and which are not inconsistent with other provisions of the Act.

Before reviewing the specific factors which we believe justify approval of the sale, it is helpful to put the matter into its unique historical context. The Department conditionally approved the sale of the Project more than three years ago; none of the original conditions or those redrawn at the request of DHA remain outstanding. It is as a result of HUD's initial conditional approval and ongoing involvement that DHA has relocated the majority of the residents of Washington Place to other public housing projects or other housing of the tenants' choice. Similarly, the DHA has also limited its maintenance program at the project in anticipation of the eventual demolition

EXHIBIT A

of Washington Place by Baylor following disposition. The number of tenants at Washington Place has dropped from full occupancy by 347 families to, as of March 19, 1984, 23 families.

The relevant "factors" are as follows:

1. As a result of the PHA's relocation of families and limiting maintenance to occupied units, the unoccupied units at Washington Place have deteriorated at a more rapid rate. The project as a whole is in an advanced state of physical deterioration.

2. The health and safety of project tenants is jeopardized by the deteriorated and leaking electrical and gas distribution lines in this 40 year-old project.

3. The cost of restoring this badly deteriorated project would be very high. Information submitted by the Dallas Housing Authority indicates that the cost of modernization would exceed the prototype cost of constructing a comparable number of new units.

4. Because of limited resources (CIAP Funding levels) and priorities established by the DHA for use of these limited resources, it is unlikely that Washington Place would be modernized in the foreseeable future. In the meantime, the conditions can be expected to deteriorate further, thereby resulting in still higher cost of restoring the project to habitable conditions. The establishment of priorities is clearly within DHA's discretion as is its determination that utilization of scarce funds to modernize Washington Place is not in the best interest of the DHA.

5. In light of the factors in items 1 through 4 above, it is in the best interests of the tenants to not remain in a deteriorated unsafe project where conditions can only be expected to get worse. For these same reasons, it is also in the best interest of the DHA to not retain the project. It is in the DHA's interest to avoid potential liability for ownership of a building in dangerous and life-threatening condition, including maintaining an attractive nuisance, especially where there is no hope of viability.

6. As a part of the negotiations between DHA and Baylor, with respect to the sale of Washington Place, Baylor has agreed to provide training and jobs for present and former Washington Place residents. A survey of the tenants of Washington Place, both those remaining in

residency and those who have relocated, indicates a substantial interest in this offer of jobs and job training. We are advised that the first group of tenants to be trained and employed by Baylor began their training on March 19, 1984. Thus, this factor would provide tenants of the DHA a benefit they would not otherwise enjoy but for the sale of Washington Place.

In addition to the foregoing factors we have reviewed the information submitted by the Dallas Housing Authority in its Application letter of February 17, 1984, and supplementary letters, and reach the following additional conclusions.

As indicated in the February 17 letter, as supplemented by a letter from DHA's General Counsel dated February 22, 1984, Application was developed in consultation with the tenants, as required by section 18(b)(1).

The Application is also supported by Resolution Number 840654 adopted by the City Council of Dallas approving the sale and certifying, as required by section 18(b)(1), that the disposition of Washington Place is consistent with the applicable housing assistance plan.

As indicated in the Application, and supplemented by a February 22, 1984 letter from DHA's General Counsel, assures that all tenants displaced or to be displaced have been or will be given assistance and relocated to other decent, safe, sanitary and affordable housing, which is, to the maximum extent practicable, housing of their choice and is, in fact, housing owned by the PHA or assisted under section 8 of the U.S. Housing Act of 1937.

The Application has described the intended use of the proceeds of the sale in a manner consistent with the requirements of section 18(a)(2)(B)(i), i.e., first to retirement of outstanding debt on the Washington Place project, and to payment of all relocation costs, the remainder to be used pursuant to section 18(a)(2)(B)(ii) to rehabilitate 445 units of substandard public housing in the Dallas Housing Authority inventory, thereby providing housing for lower income families through modernization of lower income housing.

In addition to meeting the statutory requirements imposed by section 18 of the Housing and Urban Rural Recovery Act of 1983, the Application also meets the applicable requirements of 24 CFR Part 870, specifically: the tenant participation requirement of § 870.7(a) as previously addressed; the notice requirements of § 870.7(b) as evidenced by a letter dated February 24, 1984 from the PHA's General Counsel; the Environmental and Historic Preservation requirements of § 870.8 as evidenced by letters dated February 23, 1983 and December 13, 1982, respectively; rehabilitation is not feasible within the meaning of § 870.6(a)(2) because the cost of complete rehabilitation exceeds the published prototype cost limit for similar structures in the same prototype cost area; finally, the A-95 requirements of § 870.9 have been repealed. The requirement of § 870.6(a)(1) is not required by the new section 18 and would unduly burden disposition; on these bases, we believe there exists good cause to waive and we recommend that you exercise the authority granted you under 24 C.F.R. 899.101 to waive this provision.*

In our opinion the Title VIII relocation issues raised by the litigation styled Wooten et al. v. Dallas Housing Authority, et al., are adequately addressed. Information submitted by the Housing Authority, dated February 22, 1984, contains a family by family breakdown of the replacement housing provided families which have moved to date. This indicates that the Housing Authority has afforded the families an opportunity to relocate in areas outside areas of minority concentration. Similarly with respect to families remaining to be relocated, additional units remain available at Roseland Homes, which is not in an area of minority concentration. These units will serve the nine families requiring one and two bedroom units. Of the 14 remaining families, i.e., these requiring three and four bedroom units, a number have requested and will be provided units at Frazier Homes. The remainder will be provided section 8 certificates which can be used in areas other than areas of minority concentration.

Decision.

____________ I hereby determine that the DHA's retention of Washington Place is not in the best interests of the tenants or the DHA because of the factors listed above. I determine that these factors are consistent with the best interests of the tenants and the DHA and are not inconsistent with other provisions of the U.S. Housing Act of 1937, as amended. I further determine that the net proceeds of the disposition will be used first to retire all the outstanding debt on the Washington Place project and to pay for relocation of the displaced tenants, with the remainder to be used to rehabilitate 445 units of substandard housing in the DHA's inventory which will be operated for lower income housing.

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* It should be pointed out, however, that in its application for disposition, the DHA has requested 106 units of additional new Public Housing and 150 units of section 8 moderate rehabilitation housing. The Department will provide these units if you approve the disposition. The new Public Housing units would have to meet Site and Neighborhood requirements of 24 C.F.R. § 841.202. The moderate rehabilitation units would be subject to 24 C.F.R. § 882.404(b)(2).

✓. Approve the disposition.

✓. Approve waiver of 24 C.F.R. § 870.6(a)(1) for the reasons stated above.

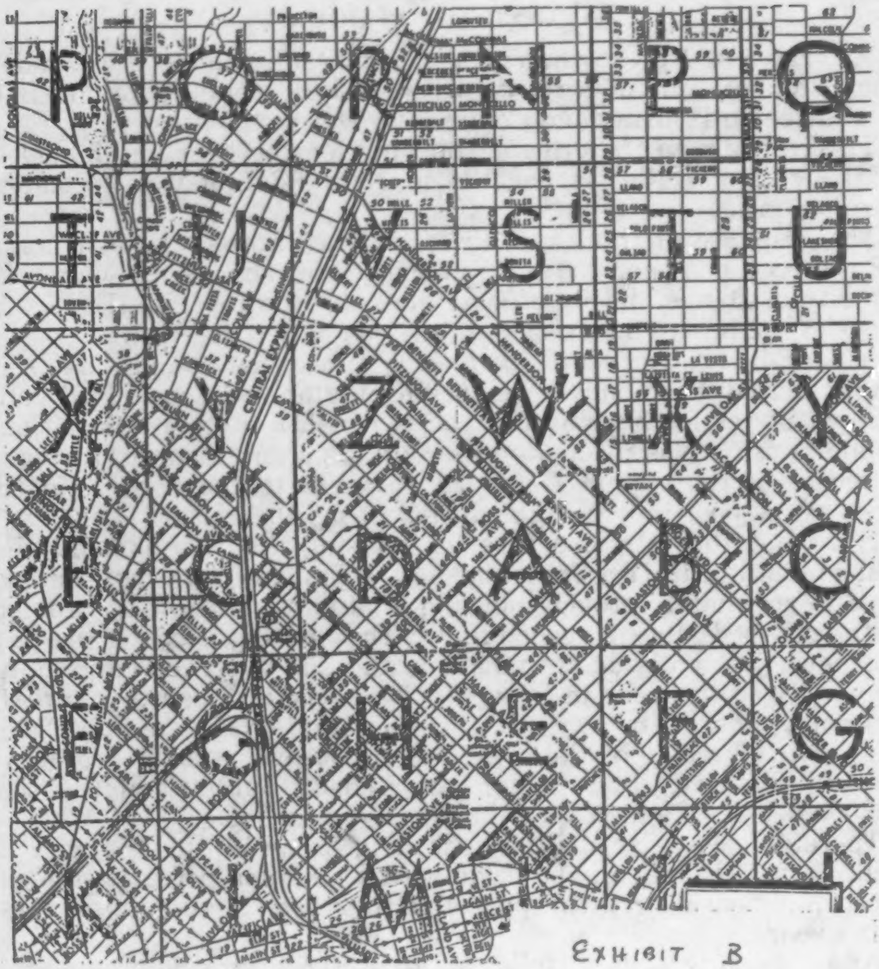
__________. Disapprove disposition and waiver.

Date

Assistant Secretary for Public
and Indian Housing

Near East Dallas Neighborhood

Total Population	White	Black	Am. Indian	Asian	Hispanic
21,934	10,95[illegible]	6,860	284	362	6,477
	44%	28%	1%	1%	26%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CENTRAL EXPWY

EXHIBIT B

Chairman **Gonzalez.** Thank you very much, Ms. Julien.

Mr. Fullinwider.

Mr. **Fullinwider.** I'm going to yield to Reverend Haynes.

Chairman **Gonzalez.** Fine.

STATEMENT OF REV. LEROY HAYNES, DIRECTOR, BLOCK PARTNERSHIP PROGRAM

Mr. **Haynes.** To the chairperson, Honorable Henry B. Gonzalez, and to Congressman Bartlett, distinguished members of the Subcommittee on Housing and Community Development.

The response to the crisis in housing for the poor and homeless in the city of Dallas is parallel to Nero fiddling while Rome is burning down.

The response of the city officials to the catastrophe of housing for the poor has been too little and too late. There's no doubt that the city of Dallas and its officials have been aware for the last 10 years of the impinging crisis for the housing for the poor.

In fact, historical records can verify times that the city has sent Dallas taxpayers' money back to Washington to be used by Northeastern States for housing the poor when low income housing and public housing was in deplorable conditions and in need of repair.

Record of the city of Dallas in response to the needs and the crisis of the poor in housing is dismal to say the least.

Now that the infrastructure for housing the poor is collapsing pillar by pillar, the cry from city hall is that we don't have enough fines to adequately provide housing for the poor. The past problem in the city of Dallas in responding to the housing needs of the poor was never just an issue of funds, but an issue of attitude and moral sensitivity to the poor in its midst. There is, in a sense, a superficial perception in the city of Dallas to manufacture the J.R. Ewing image in the movie of Dallas which discounts the existence of the poor in the city, even though the Census Bureau tells us that 126,000 people live in poverty in the city of Dallas.

Therefore, any constructive housing program in the city of Dallas must realistically struggle with a negative perception of the poor, and housing for the poor that has been manipulated these many years.

And temporary data tells us that there are approximately 162,000 lower and moderate income households in Dallas, almost half of the city's lower and moderate income.

Almost two-thirds of these families live in substandard structures are paying excessive portions of their income for housing.

There's a conservative estimate of 13,000 homeless persons in Dallas—3,000 that live on the streets of downtown Dallas every night.

Up until recently all new initiatives for responding to the housing for the poor has basically come from private nonprofit organizations and the religious community. City nor county government have provided any new initiatives to the affordable low-income housing crises in the Dallas Metroplex.

Programs have been created by this city and county for low-income families such as subsidized Home Loan Program. Beneficiaries are upper class families purchasing homes valued at over $100,000.

I believe, Chairman Gonzalez, that this is a crime against humanity, for those who are given the public trust to implement programs for the benefit of the low-income families, and the money ends up lining the pockets of the "haves" in the midst of human suffering that borders on the greatest housing crisis since post-World War II.

Hence, the massive burden of providing housing for the poor and the homeless has been totally borne by private nonprofit groups and the religious community. Both city and county government have failed in their response to share the burden in housing the poor and the homeless in the Dallas Metroplex.

In addition, the sale of Washington Place housing project by the Dallas Housing Authority with the consent of the city of Dallas and HUD was like adding gasoline onto an uncontrolled fire. It is, in fact, analogy to have in the household with a family in it, and 13,000 members of that household are knocking on the door to get in to have a place to sleep.

And you take, and you sell one room in that household to build a hospital, while 13 members of your family that in turn are still knocking at the door for a place to sleep.

Instead of helping to resolve the housing crisis for the poor, the sale of Washington Place housing project has helped to accelerate the decline of affordable low income units in the city of Dallas.

In critically reflecting on the housing crisis for the poor and the homeless I would like to make the following suggestions.

One, that the Federal Government should provide more block grant funds to the States and the cities to capitalize nonprofit groups like Common Ground which work directly on housing for the poor.

Two, that the Federal Government needs to enforce target guidelines on who are the target people for the program on the uses of Federal funds to prevent the abuse of Federal funds in housing programs for the poor, like what has taken place by the Dallas city and county government in their home loan subsidized program. That is a shame and a disaster to humanity for such abuse of public funds to take place.

The housing of the poor and the homeless should be addressed through programs that are based on a holistic and comprehensive program in solving the problems. HUD should immediately put an end to the wholesale selling of public housing projects.

Adequate funds should be appropriated to save and to renovate the present housing stock in public housing. Governments should no longer look upon itself as the sole provider for housing for the poor, but it should begin to apply a partnership concept with private enterprise and the religious community.

Section 8 Housing Programs should be expanded. New construction of affordable low income housing should be constructed with a combination of Federal funds, city, and State funds, tax incentives to private corporations.

The Federal Government, State, and local government need to play a more vital role in housing the homeless in partnership with private enterprise and the religious community.

Developers building new housing faced with the usage of Federal funds should be required to set aside 10 percent of their housing for low and moderate income families.

And, finally, new models in cooperative ownership should be implemented in public housing and Federal default housing projects.

I say, Mr. Chairman, and to the committee, we are in the greatest housing crisis in this Nation since post-World War II. This is an issue that cannot be tackled solely by the Federal Government. Private enterprise, and the religious community must play a vital role, but at the same time a government must not shirk its role and responsibility.

Thank you.

[The prepared statement of Mr. Haynes follows:]

STATEMENT OF REV. LEROY HAYNES, DIRECTOR, BLOCK PARTNERSHIP PROGRAM

TO: CHAIRPERSON, HONORABLE HENRY B. GONZALES AND
DISTINGUISH MEMBERS OF THE HOUSE OF REPRESENTATIVE SUB-COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

The response to the crisis in housing for the poor and the homeless in the City of Dallas is parallel to Nero fiddling while Rome is burning down. The response of the City Officials to the catastrophe of housing for the poor has been "too little and too late." There is no doubt that the City of Dallas and its Officials have been aware for the last ten years of the impinging crisis of housing for the poor. In fact, historical records can verify times that the City has sent Dallas Tax payers money back to Washington to be used by Northeastern states for housing the poor, when low-income housing and public housing was in deplorable conditions and in need of repairs. The record of the City of Dallas in response to the needs and crisis of the poor in housing is dismal to say the least.

Now that the infrastructure for housing the poor is collasping-pillar by pillar, the cry from City Hall is that we don't have enough funds to adequately provide housing for the poor.

The past problem in the City of Dallas in responding to the housing needs of the poor wasn't just an issue of funds, but an issue of attitude and moral sensitivity to the poor in its midst. There is in a sense, superficial perception in the City of Dallas, to manufacture the J.R. Ewing image in the movie Dallas, which discount the existence of the poor in the City. Even though the census bureau tells us that 126,000 people live in poverty. Any constructive housing program in the City of Dallas must realistically struggle with a negative perception of the poor and housing for the poor that has been manipulated for many years.

Contemporary data tells us that there are approximately 162,000 low and moderate income households in Dallas, almost half of the City's total. Almost two-thirds of these families live in substandard structures or pay an excessive portion of their income for housing. (1985 City Housing and Neighborhood Services Study). There is a conservative estimate of 13,000 homeless persons in Dallas and 3,000 that live on the streets in Downtown Dallas on a nightly basis.

Up until recently, all new initiatives for responding to housing for the poor has basically come from private non-profit organizations and the religious community. City nor County government have provided any new initiatives to the affordable low-income housing crisis in the Dallas Metroplex. When programs have been created by the City and County for low income families such as the subsidized Home Loan Program, the beneficiaries are upper class families purchasing homes valued over 100,000 dollars. I believe that this is a "crime against humanity," for those who are given the public trust to implement programs for the benefit of low-income families and the money end up lining the pockets of the "Haves" in the midst of human suffering in the greatest Housing crisis since Post World War II. ("Subsidized Mortgages Diverted..."Dallas Morning News, 10-08-85).

Hence, the massive burden of providing housing for the poor and the homeless has been totally beared by Private Non-Profit groups and the Religious community. Both City and County government have failed in responding to their share of the burden in housing the poor and the homeless in the Dallas Metroplex.

In addition, the sale of Washington Place Housing Project by the Dallas Housing Authority with the consent of the City of Dallas and H.U.D. (Housing Urban Development) was added gasoline poured on an uncontrolled fire. Instead of helping to resolve the housing crisis for the poor the sale of Washington Place Housing Project has help to accelerate the decline of afforable low-income units

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in the City of Dallas

In critically reflecting on the housing crisis for the poor and the homeless, I would like to make the following suggestions:

- -The Federal Government should provide more Block Grant funds to the state and the cities to capitalize non-profit groups like Common Ground which work directly on housing for the poor.
- -The Federal Government needs to enforce guidelines on the usage of Federal funds to prevent the abuse of Federal fund in housing programs for the poor.(Dallas City and County Home Loan Subsidized Program)
- -The Housing of the poor and the homeless should be address through programs that are based on a "holistic" and comprehensive approach in solving the problem.
- -H.U.D. should immediately put an end to the wholesale selling of public housing projects.
- -Adequate funds should be approriated to save and to renovate the present housing stock in the public housing.
- -Government should no longer look upon itself as the sole provider for housing the poor, rather it should begin to apply a Partnership concept with private enterprise and the Religious community.
- -The Section Eight Housing Program should be expanded.
- -New Constructions of afforable low-income housing should be constructed with a combination of Federal funds, City and State funds, Tax incentive to private corporations.
- -The Federal Government, State and Local Government need to play a more vital role in housing the homeless in partnership with private enterprise and the Religious community.

-Developers building new housign estates with the usage of Federal fund should be required to set aside Ten per cent of their housing for low and moderate income families. (utilizing Section 8 and other programs)

-New Models in Co-operative ownership should be implemented in public housing and Federal default housing projects.

Date: October 15, 1985

From: Rev. Leroy Haynes, Director of the Block Partnership Program
Dallas, Texas

Chairperson of the Interdenominational Ministerial Alliance
Human Needs Committee

Chairperson of Concern Black Clergy and Laity

Chairman GONZALEZ. Thank you, Reverend Haynes.

I wanted to point out that in the proposed authorization bill we provide for a new program. It's one listed under the new initiatives called the Nehemiah Plan, which was included after a successful effort which this subcommittee visited twice in East Brooklyn, NY, where through the religious—that is a church funding, and the city providing land they have a successful program, though actually limited because the family is able to buy single family dwelling units under the Nehemiah Plan and must have a basic income of about $20,000 a year.

But at least it's a recognition of what you're suggesting here of a cooperative effort between the private, the religious, and the public.

Mr. Fullinwider.

STATEMENT OF JOHN FULLINWIDER, EXECUTIVE DIRECTOR, COMMON GROUND

Mr. FULLINWIDER. Thank you. I had a prepared statement which really is going to just serve as a factual background for my remarks this morning.

Chairman GONZALEZ. If you wish, we can offer for the record your prepared text of your remarks, and then for the occasion you can proceed by summarizing the best you feel you should.

Mr. FULLINWIDER. All right. That's what I'd like to do then.

I want to pick up on several things that have been said earlier this morning, and that also on this panel. That is that you have to look at the context in which we are working, and which we are trying to preserve and expand the inventory of low income housing in order to really see how the Washington Place sale fits in and how bad it really is.

I think that Ms. Wooten dealt very accurately with the way that tenants were treated throughout that process, very poorly. And the summary by the lawyer, I think is really good.

I want to suggest though that you can count up the units in relation to the replacement and even though it adds up to 347 units, it still can't be considered replacement because—well, a third of them aren't even built yet.

But even for the years prior to Washington Place, most of those units were not being utilized by people that needed them. They were kept intentionally vacant. And then when a replacement unit you would think would be in place before the other units were bulldozed and vacated, so you'd keep your pool of housing the same. And the pool of public housing, and the pool of low-income housing, is still less than it was before the sale of Washington Place, and much less than it was, and all the years of utilization of that housing are lost forever, and will never be replaced.

Let me say the sale of Washington Place is really like the tip of an iceberg in relation to the loss of low-income housing generally in Dallas, and the reason we got to know so much about that sale, although we weren't able to stop the sale, was that it involved a public entity that we could get to.

But the dynamic at work there is very common throughout the inner city on low income housing that is not owned by a public authority where there is no protection.

I want to suggest that in order to address housing problems in the city of Dallas, and I think in most American cities, you've got to realize that the housing market has just completely broken down in relation to low income people. The housing market only works for the people that are in it.

But as you've heard earlier today, there's an increasing number of people who are not in the housing market at all, except as objects and as victims.

Just one example of how the whole supply and demand system is just completely broken down, you've got a tremendous need for housing for people in the city of Dallas, for affordable rental housing, and yet you've got about maybe sometimes 10-, 11-percent vacancy rate when you consider all the apartments in the Dallas area.

But if you get into what might be called the submarkets, or the nonmarkets, you'll find that substandard housing is like 96, 97 percent occupied all the time. You find if you get out into the neighborhoods you'll see that it's really 120 percent occupied because of people doubling up, or people parking a trailer in the yard, and having to live in it.

If you look in the subsidized housing, the old Great Society housing programs, and in the parts of the housing projects that are inhabitable, that conditions are such that you can inhabit them, you'll find consistent in the old 221 programs, and so forth, there is almost 100 percent, 99 percent occupied, with long waiting lists.

And in the complexes within the housing authority that are inhabitable, the occupancy rate is also very high.

So you've got a market situation that is just not working at all, and a lot of the initiatives that come out, for instance, the use of this couple of points on your construction and permanent financing in relation to the housing and finance corporations, this is kind of tinkering with a market that is just completely broken down in relation to people who really need housing.

The second thing I think that needs to be realized is that when you have a kind of limited and declining resources, you've got to focus those resources where the need is the greatest. You've got to realize that this discussion, and any discussion about housing is not taking place in any kind of a vacuum. The problem goes on even while it's being discussed, particularly it's easiest just to think about it in terms of substandard conditions. And we might debate whether we have enough money to fix it up for 2 or 3 years, but the people are living in substandard conditions the entire time, in the same way that Washington Place units were vacant during the entire time.

The third thing I think is important is particularly in the city of Dallas, is that you've got to look at your real causes of why we're losing the housing. We're not really—the housing crisis in Dallas may be exacerbated by cutbacks in housing programs, but the sources of this crisis are much deeper than that, and they are related to local policy as well.

It doesn't make sense in a time that's like really unprecedented as far as the housing market goes. Just to take one concept, the concept of filtering where housing goes from one market to another as it deteriorates or gets older, that process is stopped in a sense because the lower income neighborhoods where the stuff supposedly filtered down are just being wholesalely taken off the planet.

Anyway, we have a totally unprecedented time. A conventional approach to it is not going to work at all. The only reason I'm going into some of these things that I see are conceptual is that many of the approaches, the enterprise zone approach, are totally conventional approaches to market dynamics. You know, somehow there's interference in the market, and if we just let the market free, somehow we'll be able to provide this housing, or provide these jobs.

Well, you know, the city of Dallas is just one big enterprise zone, and has been all along, and you can see the results today. We'd be better off with more restriction, more regulations.

You've got to not be timid about changing policies, and changing what's going on, and I don't mean in the way that the conservative Great Society debates say. You know, everything has failed so we've got to change. I don't mean that.

I mean that the predominant trends in the real estate market in Dallas, everything that's going on that people applaud that think are great, the predominant policy trends of city hall, the prevailing wisdom at city hall, all of these things make the problem worse. One of the things they could do is stop doing what's making the problem worse.

Now, I can give you several examples, and I will. And I'll use those examples to also clear up some gaps in information earlier in the hearing.

Let me say finally that the planning for the future of public housing is merely a small part of planning for the future of affordable housing generally. And I think I'll just start right there on some specific examples.

For instance, the old Great Society programs that people say are a failure are actually providing more housing units than any other single kind of program in Dallas. If you take all of the old section 221(d)(3) below market interest rate projects you'll see that there is a little over 5,600 units out there, 100 percent occupied, with long waiting lists.

If you look at the Section 236 Program you'll find a little over—about 4,100 units all occupied, and we recently surveyed them, all with long waiting lists.

Now, when you want to plan for the future of public housing we may wonder if the project we're in is going to be destroyed, but the fact is that these units here, these thousands of units, are just like time bombs ticking away as far as making this housing crisis worse, and let me give you a current example.

There's a section 221(d)(3) project called the Webb Forest Village. I think it might be in Congressman Bartlett's district, but it's out there around the edge of the golden corridor of Dallas, near LBJ Freeway, and Forest Lane, and Webb Chapel Road. This is 240 units of section 221(d)(3) housing, which unfortunately was built in 1964.

So in 1984 the 20 year regulatory agreement, and the mortgage that governed—that whole relationship can end, and is ending, and, in fact, a major developer is trying to buy this project right now, Triland Corp., and turn it into a 28 story office building.

The tenants in this project have been offered $75 moving expenses, plus a couple of month's rent free, and that's all that they've gotten.

Now, you can see that you're talking about 5,600 units that are just going to tick away year by year. They were all built in the mid-1960's, and late 1960's, so in the mid-1980's, late 1980's, early 1990's, you're going to lose—you have a tendency—potential to lose another 10,000 or more units of affordable housing.

That particular project also bumps into local policymaking in that the zoning for the projects—it's not zoned for apartments; it's zoned for a shopping center—and so that by a combination here of the end of one of these great society programs, with no plan for the future, and bad zoning, which is just all over the city of Dallas, you're going to lose these units, and they are going to be lost, or I would predict that they would be lost with very little struggle.

The—let's look into the idea of focusing your resources on the problem. The question was asked earlier how much community development block grant funding was spent for housing and how much for other purposes.

There was a report that the city of Dallas put out in 1981 in November, and it summarized in the first 6 years of that program, there was $77,744,000 worth of community development block grant money that came into the city of Dallas during that period.

During those first 6 years—incidentally we didn't even have a citizen advisory board during any of those years. We had two public hearings a year.

But, anyway, during those years 59 percent of the money was spent on routine public infrastructure improvements, the same sort of improvement that another neighborhood has done with local money, or with bond money. Twenty-eight percent was spent in the category that the city of Dallas calls housing; however, if you look into it almost a third, 31 percent of the money spent on housing simply funded the code inspection department of the city of Dallas.

Now, the way the code enforcement is done in the city of Dallas, and if you go back over the same period—well, if you go back over the 10-year period beginning in 1975, you'll find that for cases that come before the Urban Rehab Standards Board, compliance can be had by demolishing the unit, or by rehabilitation.

So I looked at 8,000 cases that were in that 10-year period, and 63 percent of the housing units were brought into compliance via demolition. Thirty-seven percent via rehabilitation that went before that board.

So you've got a tremendous amount, almost a third of all your housing money, initiating a process that results in the destruction of housing, and believe me, this isn't—they're not being bulldozed out there in North Dallas, they're being bulldozed in the areas where poor people live, older people, needy areas, basically.

You have to focus the resources, and you have to not be timid about changing your policy. In the city of Dallas if a slum lord does not want to repair a property the city thinks it's OK to knock it down. Somehow they don't feel that they have the power to force the repair. You know, if you're talking about the rights of that slum lord, he loses his property altogether, somehow they don't seem to feel that the city of Dallas can force a repair. Without that provision, code enforcement is just—it's just a prelude to demolition, and it has been throughout the whole time.

We were talking earlier on the question of focusing resources. I was recently appointed to the board of this city of Dallas Housing Finance Corp., and so the figures I'm about to give you are really not my fault.

But this program is—and I'm not even sure if it's structurally able to deliver the goods. I've got a feeling that it's like an elaborate pork barrel with a sign on it that says "affordable housing for lower income people" when really all that's in it is pork.

And if you look at the multifamily inducements—this is when we authorize the bonds that—to do this stuff—the only requirement on the developer is to put 20 percent of the units for people making less than $24,000 a year, which is not a very tough requirement, but the units that we're producing, or that we are inducing, let's say, are not even in the inner-city areas that need to be rebuilt. We've got a priority 1 area, which is generally your minority inner city areas, the most depressed areas of the city. Then we've got a priority 2 area which includes the broad CD area of the city, and then a priority 3 area which includes everything south of the Trinity River.

The roughly $201 million worth of inducements for multifamily projects in the city of Dallas—I guess for the record I could read the exact number—$201,230,477, multifamily inducements to date by the city of Dallas Housing Finance Corp. Of those a little over $8 million, or 4 percent, have been authorized in the priority 1 areas.

In the priority 2 area the broad community development area, approximately $134 million, or 67 percent, and then in the priority 3 area, which is not—which is just anything south of the river, 29 percent, or about $59 million.

The rents in these projects are really unbelievable. Sitting on the board, projects come in, a one bedroom studio apartment, $500. And you say is section 8 going to be in this? No. Well, how are you going to deal with your low- and moderate-income requirement? Well, we'll use single people and in efficiencies. That kind of stuff.

So it's the rule, it's not the exception.

In the Single Family Program you've got a similar tilt toward what you might call the upper reaches of moderate income.

I'm going to give you this as a report on the Dallas—city of Dallas Housing Finance Corp. Single Family Mortgage Program as of September 30, 1985, and the program is just getting started, but I think the trend is real obvious.

Seventy-five mortgage loans have been approved for a total of $1.8 million. Six loans went to households earning less than $15,000 a year, and those six loans amounted to about $66,000. Supposedly, I guess, to purchase six houses. But one of the loans was only $2,500, so it was probably to pay off an old note.

Six loans went to—an equal amount went to families earning $36,000 or more per year, and the total amount of money for those six loans was $227,582.

Thirty-seven loans went to families earning greater than $25,000 a year. Now, you might say well, that sounds like a pretty successful Middle Income Housing Program. In other words, the median amount of the salary was about $25,000 a year. But it doesn't—to say that we have a successful Middle Income Housing Program is not at all to say that this is any different from the tax deduction for mortgage interest, which is a middle-income and upper-income housing program. This program has very little, if anything, to do with low-income people except using their situation, their financial suffering, as a rationale for the program.

In terms of trying to change these particular trends, and I'm going to kind of go toward the end of my statement now, I want to just refer you to the last page of my printed testimony, where I've got a chart that shows factors that result in the loss of affordable housing, the displacement of low-income people, and the disruption and destruction of low-income neighborhoods.

And then the other side, factors that contribute to the preservation of affordable low-income housing to the stabilization of low-income areas, and to the expansion of the low-income housing inventory. It's the very last sheet on my prepared testimony.

What I tried to do in this chart is just sum up in an easy to understand form the factors that are destroying the low-income neighborhoods of this city, and some responses that I think either legislatively, or through programs, would halt this decline, and stop this disaster.

Several of these lend themselves to Federal initiative, and I just want to check those off and go through those.

The first one, that disinvestment by absentee owners results in the loss of low-income housing, is really something anybody in real estate knows, or anybody that has an investor/owner that owns their apartment out in California.

One response to that would be more individual home ownership among lower income residents, which I think could be accomplished by focusing the resources more directly on that purpose.

Another response to that would be to encourage nonspeculative forms of ownership, such as cooperatives where there's a little equity limitation on them. Of course, such as nonprofit, or church affiliated kinds of ownership that are not in it in order to turn the property over after they do their 167-K depreciation, 5 years.

Specifically, I would suggest taking your Section 213 Program that provides some mortgage insurance for co-ops and looking at ways to adapt that program to deal with the coming crisis of the Section 221(d)(3) and 236 Programs.

There's no reason why we couldn't—the Congress couldn't either just legislatively say, you know, the existing residents have either the right of first refusal, or just the right to purchase, or couldn't sweeten the deal in some way to where the current investor/owner whose 20 year regulatory agreement is ending, could maybe have a cap on its capital gains tax, or whatever, for selling to a resident cooperative.

In this manner you could have a resident owned and operated situation whereby if people began to move up in the housing mobility, that unit, that slot, would remain in the affordable housing inventory indefinitely as long as the building was there.

And I think this is kind of the key to nonspeculative multifamily ownership, or any other kind of nonspeculative ownership, in that it allows for people to stay for a long time in a stable price, or if they get more money, get a better job, or whatever, they move on but you don't leave the unit, you don't lose the unit out of there.

And I think that cooperatives are superior to condominiums in this respect, and it's something that I think should be seriously considered by the Congress.

Besides that, I think that until something like that is in place I think that a moratorium is advised on the disposition of any of the Old Great Society Housing Programs, 221(d)(3), 236, or whatever else they are, just alphabet soup in numbers, in the same way that I think—I want to reiterate what I heard earlier from several witnesses, no public housing should be sold.

Public housing, the success of it, is due to the fact that it's nonspeculative ownership of housing, housing that's affordable in the long term.

The other things on here are things that I know are operative in other cities, and they are not necessarily things that are the result of Federal policy. But I just want to recap it somewhat for you.

The code enforcement policies, which the ultimate goal of them, and the ultimate result, is demolition of the housing. You've got zoning which is inconsistent with the land use, which allows for the whole redevelopment process that Councilwoman Ragsdale, and Commissioner Price, were talking about earlier.

The market itself is geared toward redevelopment. It's a stable neighborhood where people live for a long time, just aren't any use to realtors. They play musical neighborhoods. They play musical turf. They turn the land over. They build, and depreciate, and bulldoze, and they do it all over again. And if you want to stay there for a long time you're just in their way. They can't make any money off stable neighborhoods where people live for a long time on modest incomes.

And so the entire real estate market is geared to produce the crisis that we are in today.

Institutional expansion usually involves public or sort of semipublic buildings like Baylor University Medical Center, and I think it's a problem all over the country and it is a problem here.

The lack of housing access for families with children is something that is—I know Dorothy Masterson is scheduled to speak later. She's kind of an expert on this, and also Dr. Charles Hunter, but this is something that prohibits families with children from living in well over half of the apartments available for rent in the city of Dallas, and if you go to an apartment and try to rent it, and they do take children, they say "How old are they? What sex are they? You know, you can't do that. We can't take those kinds of children." All children have an age and sex, but that seems to be a criteria.

Something that's more on our obligation, and I guess on policymakers obligation, is the organization of ourselves and the tenant community generally. The constituency for low-income housing is not as powerful as the constituency which benefits from the destruction of low-income housing, and this is something that we ourselves have to organize and work collectively to stop and to change.

It shouldn't be possible for public officials to be elected and not be accountable to what happens in the city of Dallas, the majority of people who rent their homes.

Finally, I think it might be better to rethink this whole idea about subsidizing financing through tax exempt bonds. I got a feeling that if you—and I can't give you any precision on this, but I think just a direct expenditure investment to rebuild the depressed communities of this Nation, and this city, would probably cost less than this huge—you know, the $200 million that is going to be tax free that's going to produce, at best—20 percent of that is going to end up being for low income. I mean, it's ridiculous.

Finally, I guess let me just say this. That it seems to me that there was a time when the resources of the Federal Government were such that people looked to that Government. Maybe during their early years of the 1960's, and the midyears of the 1960's, that people looked to the Federal Government to protect them from the abuses of the local financial, and governmental elite. That's what that was all about. And I think that in the city of Dallas there is still that role for the Federal Government to play, and I hope that you all will play that role.

I guess the last thing I want to say is that the forces that are working in the church community, and in the nonprofit sector, and among the resident councils, and public housing, all of these factors, the neighborhood groups that are trying to do something about this, we are hanging by our fingernails, and the forces that we are up against own that rock that we're slipping off of. And we—an advocate in Washington is very useful to us. A Federal Government, a Subcommittee on Housing and Community Development that will—you know, kick some ass down here would be very useful for those of us that are trying to preserve these communities and improve the living conditions for the poorest people in the city of Dallas.

Thank you.

[The prepared statement of Mr. Fullinwider follows:]

Affordable Housing in Dallas: Anatomy of a Crisis

Low-income families seeking housing in Dallas today confront an increasingly narrow range of options. The destruction of thousands of homes in low-income and minority neighborhoods over the past fifteen years, gentrification and redevelopment of traditionally residential areas for commercial or office uses, widespread exclusion of families with children from apartments, disinvestment and deterioration of public housing, zoning that stimulates land speculation, housing code enforcement which results in demolition instead of repair, and the relentless upward pressure on housing prices have turned the problem of finding affordable housing here into a daily crisis for poor people.

The housing gap.

The average income family in Dallas cannot afford to buy the average priced home, selling now for $111,400 and rising, according to a recent study by Texas A & M University's Real Estate Research Center.[1] As the middle class loses its grip on the American Dream of homeownership, low-income tenants are slipping deeper into a housing gap that threatens to take them out of the housing market permanently.

Considering a rent-to-income ratio of 25% to be affordable, a week's pay for a month's rent, as recently as 1977 there existed a surplus of rental units that were affordable to households living on less than $10,000 per year. That year, according to the Census Bureau's Annual Housing Survey, there were 84,500 renter households earning less than $10,000 annually. There were 93,400 rental units available at prices they could afford, generally less than $200 per month. [See Table II.]

Two years later, according to the 1980 Census, there were 19% fewer renter households earning less than $10,000 per year, 68,264 households; but the number of affordable units had decreased by almost 400%. The 1977 surplus of 8,900 units had become a gap, or deficit, of 25,901 units. This trend continued through 1981, the most recent Annual Housing Survey data available for Dallas, resulting in a housing gap of 28,000 units--and this figure includes subsidized housing.

Table I illustrates the overall income distribution for renter households in Dallas in 1981, and the availability of affordable housing units for each income range. The housing gap begins to disappear as income levels rise above $12,500 annually. This is not to say that moderate-income residents do not face housing problems, only that their problems do not approach the scale and severity of those confronting Dallas' very low-income households.

Higher rent from lower-incomes.

The 1969 Brooke Amendment to the Housing Act established a rent-to-income-ratio of 25% as affordable for calculating rents in federally subsidized housing. Amendments to the Housing and Community Development Act in 1981 raised that ratio to 30%, and it could well be increased further as public housing authorities try to make up for their subsidy cutbacks by increasing the tenant's portion of the rent in both public housing and Section 8 subsidized units.

The debate over whether 25% or 30% of income--or more--should be considered affordable is to a large extent irrelevent to low-income families. The fact is, according to the 1980 Census, most poverty level families--52%--pay more than half of their monthly income for rent.[2]

Between 1977 and 1981, the median renter household income in Dallas rose by 57%--from $9,600 to $15,100 annually. (It remained less than 60% of the median income for homeowners.) During the same period, median rent increased by 58%--from $187 to $296 monthly. (Today it is more than $400.) Lumping all income groups together, then, renter household income kept pace with rent increases; and the median rent remained about 24% of median renter household income.[3]

At the lower ranges of household income, however, rent increases far outstripped family income. Neither public benefits nor salaries in minimum and low-wage jobs keep up with increases in the overall consumer price index, much less the tremendous housing price inflation of the past several years. According to Census data, see Table 3, in 1977 one out of five renter households earning less than $10,000 annually paid more than 50% of monthly income for rent. By 1981 that proportion had almost doubled to 38% of those households earning less than $10,000. The 1981 Annual Housing Survey in Dallas found that among tenants earning less than $10,000 per year, 86% paid more than a fourth of their income for rent; 70% paid more than a third; and the median rent consumed 49% of the median household income for this low-income range. Again, these figures include renters living in subsidized housing.

Consider the situation of a household struggling to make ends meet at today's minimum wage. The family earning $7,000 in 1977 who paid the median percentage of income for rent for a household of that income class, 27%, spent $157 for housing--leaving $424 per month for all other needs. The family with similar earnings in 1981 who paid the median percentage of income for rent for a household of that income class, 39%, spent $227 for housing--leaving only $354 per month for all other needs (the cost of which had increased as well).[4]

The situation facing Dallas' lowest-income families, those earning less than $3,000 annually, is even more desperate. The median rent paid by households of this income class in 1981, $170, consumed well over 60% of monthly household income.[5]

Sources of the crisis.

The roots of this crisis in affordable housing can be seen in any low-income community, particularly inner-city areas on the edge of Dallas' booming central business district. During the 1970s, more than a thousand housing units were demolished each year; in the 1980s, the Urban Rehab Standards Board still orders 400-600 demolitions a year. Since a "special code enforcement effort" was launched in October 1974, when city staff reports declared that demolished and repaired units alike had been "brought into compliance" with the housing codes, local policy has focused on clearing "blight"--not improving housing conditions.[6] The scale of housing destruction is probably greater than City of Dallas staff reports indicate; for example, the Census Bureau's Annual Housing Survey in 1981 estimated that 8,500 housing units had "left the inventory" since its survey only four years before.

Beyond code-related housing losses, neighborhoods have been decimated by eminent domain acquisitions (for the expansion of parking at the Texas State Fairgrounds, for the construction of Interstate Highway 45 and State

Highway 352, for the construction of a "magnet" high school, among other projects); by gentrification (particularly in East Dallas, where one developer used a City of Dallas investment guarantee to acquire and bulldoze virtually the entire community surrounding Exall Park--replaced now by upscale townhouses and condominums); by commercial expansion into residential areas (as in the Oak Lawn area and along North Central Expressway, where new glass offices tower over the remains of long-settled working class, poor, and minority neighborhoods); and, in West Dallas and East Oak Cliff, by hazardous industrial lead pollution.

Low-income neighborhoods are vulnerable to this kind of disruptive redevelopment because they are owned principally by absentee landlords and investors. On any given blockface in Dallas' inner-city, 60-70% of the lots are owned by landlords and speculators (though this is changing in the gentrifying areas). Moreover, most low-income neighborhoods are over-zoned; that is, they are zoned for land uses other than their current and traditional residential use. It is common for the small frame homes and duplexes in these neighborhoods to be zoned for high-rise office, industrial, retail, or commercial uses. Without even a notice from city hall, then, the traditional land use patterns in poor areas can be completely transformed.

These factors, absentee ownership and speculative zoning, also discourage housing improvements. As the price per sq. ft. of land increases, the value of a lot becomes a progressively larger share of the total property value until the value is the same whether the building deteriorates, stands boarded-up for months, or is bulldozed or torched. The neighborhood known as "Short North Dallas," a predominantly black community originally settled as a Freedman's Town, located just north of the new Downtown Arts District, illustrates these conditions today.

The matrix of public policy and market forces causing such dramatic losses of private sector low-income housing has also reduced the inventory of public housing in Dallas. Last year Dallas Housing Authority sold the Washington Place public housing project, 347 units, to Baylor University Medical Center for the expansion of its East Dallas hospital complex--over the objections of project residents and without competitive public bidding, and despite DHA's own studies showing the feasibility of renovation at a cost much less than replacing the units. Kept substantially vacant for years prior to the sale, these public housing units have not in fact been replaced at all. Of the roughly 7,200 public housing units remaining in Dallas, one out of four stays continuously vacant; and more than a thousand units, 15% of the inventory, have been boarded-up for years in West Dallas, so deteriorated as to be uninhabitable.

Sales and demolition of public housing units are likely to continue in the absence of an organized resistance movement among tenants. The renovation of Roseland Homes, for example, an East Dallas project considered one of DHA's best, involved the demolition of 39 units for additional open space; they were never replaced. The 1983 Mayor's Task Force on Public Housing based its financial forecasts on the assumption that "approximately 250 units in West Dallas are deprogrammed in 1985."[7] This has not yet occurred, but DHA is planning to sell 15-20% of the public housing units in West Dallas to private developers for rental at market rates.[8]

With the deterioration and demolition of thousands of public and private sector low-income housing, and with a minimal number of subsidized units being built (unsubsidized, newly constructed apartments are simply not affordable for low-income households), it is not surprising to find, as the city's Housing Assistance Plan noted in 1985, that more than 67,000 families are living in substandard housing. Occupancy rates generally in the Dallas area run in the lower 90% range; in the suburbs there is a glut of new apartments, and landlords offer free appliances and vacations to attract upscale young singles. Substandard housing in the city itself, however, is 96% occupied.[9] Overcrowding in certain redeveloping areas results in greater than 100% occupancy.

Families searching for housing are further restricted by rental policies that exclude children from 53% of Dallas apartments; most landlords accepting children restrict their number or ages. National surveys by HUD estimate that children are excluded from 26% of apartments.[10] Racial discrimination continues, though with more subtlety than a generation ago. A 1981 study by the Greater Dallas Housing Opportunity Center, a fair housing agency, found that Hispanic citizens confronted racial discrimination in 51% of their attempts to rent apartments here--with a greater incidence of discrimination occurring against darker-skinned applicants.[11] Subsidized housing is almost completely segregated in Dallas, with the worst conditions in those projects occupied by black families and the best conditions in those occupied by white senior citizens.[12]

Steps toward a solution.

The affordable housing crisis in Dallas cannot be solved without an overhaul of national housing policy and a greatly expanded federal budget commitment to the housing needs of low-income Americans. The National Low-Income Housing Coalition is advocating a national housing agenda built around an income-based housing entitlement, increased production and preservation of low-income housing, a restructuring of the tax code, and a strong role for community-based, non-profit organizations in the implementation of housing programs.

There are, however, a number of local policy and program initiatives that can begin to alleviate Dallas' low-income housing crisis, preserving the remaining affordable neighborhoods and improving living conditions.

Low-income housing is lost through redevelopment of areas in which zoning is different in character or density from current residential use. Changing the zoning in these neighborhoods to reflect the current land use would protect literally thousands of frame homes and duplexes from demolition. Dallas City Councilwoman Diane Ragsdale has proposed the establishment of Neighborhood Preservation Zoning Districts for just this purpose; her proposal has been accepted conceptually by the full city council, but the implementing ordinances have yet to be drafted and approved. A related policy initiative, which has not been introduced here yet, would require developers to replace housing units demolished to make way for their projects. This could be accomplished by relocating the units (for instance, moving duplexes and single-family houses to other sites), by the construction or substantial renovation of units for low-income residents, or by making a contribution to a municipal fund for the development of low-income housing. The San Francisco Office/Housing Production Program is an example of this approach, under which developers are responsible for developing a specified number of housing units based on the size of their office projects.

Low-income housing units are lost through disinvestment by absentee owners who allow their property to deteriorate until the city orders it demolished, or who let a house stand open and vacant, creating an eyesore and hazard for area residents. Loan and grant programs to increase the number of low-income homeowners, especially if targeted to tenants for purchase of their rented houses, could eventually tip the balance between speculator-owned and owner-occupied units in poor neighborhoods. Non-profit, community ownership by neighborhood groups and churches will also help to achieve community control of low-income areas--for instance, through limited equity cooperatives and community land trusts, in which property is effectively removed from the speculative market.

The loan and grant programs currently operated by the City of Dallas are targeted to existing low and moderate-income homeowners for repairs, rather than for home purchases. This summer the City of Dallas Housing Finance Corporation floated $78 million in mortgage bonds to assist low and moderate-income buyers with below market interest rate financing. It's an open question, however, whether low-income buyers will really benefit. Program income guidelines permit families making as much as $40,000 annually to participate, and home prices as high as $120,000 are eligible for funding. There is evidence from similar programs that suggests the bulk of the financing will go to families at the upper-levels of "moderate"-income.

The Dallas County Housing Financing Corporation, for example, reported in March of last year on 1,192 mortgage loans it had made to first-time low and moderate-income buyers--a total of $29,039,354 in below market interest rate mortgages. Only 73 loans, or 6%, went to families earning less than $12,000 per year; loans to these families amounted to less than $600,000, only 2% of the total loaned. In contrast, 312 loans went to families earning more than $30,000 per year--one out of every four loans. Loans to these middle-income families amounted to $10.6 million, eighteen times the amount loaned to low-income borrowers.[13] A similar tilt toward moderate and middle-income households can be seen in the state and city multi-family housing bond programs, through which developers receive below market financing to build basically market-rent apartments. The only concession required of the developers for this public assistance is that 20% of the units financed must be rented to households earning less than 80% of the area's median income.

Vacant and abandoned properties and municipally-owned lots can be a tremendous resource for low-income housing. The City of Philadelphia's Nuisance Abatement Program allows interested applicants to legally enter and occupy abandoned homes, which the owners have refused to repair. In exchange for repairing the building's code violations, the city government attempts to obtain legal title to the property and transfer ownership to the homesteader who repaired it (though the resident has no guarantee of receiving legal title). The City of Austin has transferred city-owned lots to non-profit neighborhood development corporations for a minimal fee to build low and moderate-income housing, for example, in the westside Clarksville area, a longtime black community threatened today by gentrification.

Other approaches to preserving and increasing the supply of low-income housing include:

- -- Changes in state property tax law to provide exemptions for non-profit sponsors of low-income housing.
- -- Changes in state and local below market housing finance programs, to ensure that taxpayer-subsidized bond proceeds produce housing targeted to low-income renters and purchasers.
- -- Linkage of all public assistance to landlords and developers with rent control and rent stabilization requirements.
- -- A "sweat rent" program for public housing tenants, through which tenants would receive rent credits for maintenance and other work performed in their apartment complexes.
- -- Ordinances prohibiting exclusion of families with children from rental housing.
- -- A "tenant rights" approach to housing code enforcement, which would focus on compliance with health-and-safety related violations in rental property (with "repair-and-deduct-from-rent" provisions for tenants), and which would end the "inspector-initiated" code harassment of poor and elderly homeowners so prevalent in Dallas since the mid-1970s.

These and other locally-based initiatives must be joined to a national struggle to create an effective, humane, community-based urban policy for American cities. The construction, acquisition, renovation, weatherization, maintenance, and management of decent affordable housing for and by low-income people will not only relieve widespread suffering caused by our current miserable conditions--this work can also provide the basis for longrange social and economic self-determination among presently disenfranchised Americans.

Notes:

1. Cited in Dallas Times Herald, April 25, 1985.

2. Metropolitan Housing Characteristics, 1980 Census of Housing, Dallas-Ft. Worth, Texas, Table C-4: Income and Poverty Status in 1979 of Renter-Occupied Housing Units: 1980.

3. Annual Housing Survey, Dallas, Texas, 1981 and 1977, Bureau of the Census, Table B-1: Income of Families and Primary Individuals in Owner- and Renter-Occupied Housing Units.

4. Ibid.

5. Ibid.

6. Demolition figures from Dallas Housing Trends in the Seventies, City of Dallas Department of Housing and Urban Development, Summer 1979, Table 2: Components of Inventory Change: 1970-78; also Dallas Urban Rehab Standards Board, Annual Reports. "Special code enforcement effort" from memo to Dallas City Manager George Schrader, 4/49/75. According to this memo, 154 units were "brought into compliance"--36 units by repair, 118 by demolition.

7. Report of the Task Force on Public Housing, City of Dallas, Department of Housing and Neighborhood Services, January 1983, p. A-2; also Memo, Jack Herrington to DHA Board, 7/21/82, p. 3.

8. A Plan for the Rebuilding of the West Dallas Housing Projects, Lake West Master Plan, Dallas Housing Authority, 3/23/84, p. 77, 97.

9. Housing Assistance Plan for the City of Dallas for fiscal 1985-86, 1986-87, 1987-88, City of Dallas, May 1985.

10. A Study of Apartment Availability to Families with Chidren in Dallas, Texas, Dallas Tenants' Association and Greater Dallas Housing Opportunity Center, April 1982. Also, A Study of How Restrictive Rental Practices Affect Families With Children, U.S. Department of Housing & Urban Development, 1980.

11. A Study of Housing Discrimination Against Mexican-Americans by Dallas Apartment Rental Agents, Greater Dallas Housing Opportunity Center, November 1981.

12. Dallas Morning News, February 10-17, 1985, "Separate and Unequal, Illegal Segregation Pervades Nation's Subsidized Housing" (8-part series).

13. Single Family Mortgage Purchase Program, Series 1983, Dallas County Housing Finance Corporation, "Profile Loans by Salary Amount as of February 28, 1984 [table]," March 5, 1984.

Acknowledgement and thanks to the National Low-Income Housing Coalition. The analysis of the housing gap and the rent/income ratios in Tables I-III relies heavily on materials developed by the Coalition on national housing conditions. See Dolbeare, Cushing, "The Low-Income Housing Crisis," in Hartman, Chester, ed., America's Housing Crisis, What is to be Done?, Routledge & Kegan Paul, Boston, 1983, p. 29-75.

Affordable Housing in Dallas: Anatomy of a Crisis

Tables

I. Renter Households & Affordable Housing Units: 1981

II. Renter Households & Affordable Housing Units: 1977, 1979, 1981

III. Rental Housing Costs & Renter Household Income: 1981, 1977

IV. Rental Housing Costs & Renter Household Income: 1981, 1977 (median rent as % of income)

V. Rental Housing Costs & Renter Household Income: 1979

VI. Renter Households & Affordable Housing Units: 1977, 1981 (30% rent/income ratio)

Table I

Renter Households and Affordable Housing Units: 1981

Household Income	Number of Households	Number of Affordable Units (*)	(Gap) or Surplus for Income Range	Cumulative (Gap) or Surplus
Less than $3,000	12,400	7,100	(5,300)	(5,300)
$3,000 - $ 6,999	29,200	11,800	(17,400)	(22,700)
$7,000 - $ 9,999	20,000	14,700	(5,300)	(28,000)
$10,000 - $12,499	24,100	25,900	1,800	(26,200)
$12,500 - $14,999	13,400	41,600	28,200	2,000
$15,000 - $19,999	30,800	61,900	31,100	33,100
$20,000 - $24,999	28,400	22,000	(6,400)	26,700
$25,000 - $34,999	27,600	9,700	(17,900)	8,800
More than $35,000	13,100	2,000	(11,100)	(2,300)
Balance/no cash rent		2,300	2,300	-0-
TOTAL	199,000	199,000	-0-	-0-

(*) "Affordable" means that the monthly gross rent does not exceed 25% of household income.

SOURCE: U.S. Department of Commerce, Bureau of the Census, Annual Housing Survey: 1981, Dallas, Tex., Table B-2: Financial Characteristics of the Housing Inventory: 1981, 1977, 1974, and 1970; Table B-1: Income of Families and Primary Individuals in Owner- and Renter-Occupied Housing Units: 1981.

Table II

Renter Households and Affordable Housing Units: 1977

Household Income	Number of Households	Number of Affordable Units (*)	(Gap) or Surplus for Income Range	Cumulative (Gap) or Surplus
Less than $3,000	19,500	11,700	(7,800)	(7,800)
$3,000 - $ 6,999	35,400	33,300	(2,100)	(9,900)
$7,000 - $ 9,999	29,600	48,400	18,800	8,900
Less than $10,000	84,500	93,400	8,900	8,900

Renter Households and Affordable Housing Units: 1979

Less than $5,000	30,280	10,609	(19,671)	(19,671)
$5,000 - $ 9,999	37,984	31,754	(6,230)	(25,901)
Less than $10,000	68,264	42,363	(25,901)	(25,901)

Renter Households and Affordable Housing Units: 1981

Less than $3,000	12,400	7,100	(5,300)	(5,300)
$3,000 - $ 6,999	29,200	11,800	(17,400)	(22,700)
$7,000 - $ 9,999	20,200	14,700	(5,300)	(28,000)
Less than $10,000	61,600	33,600	(28,000)	(28,000)

(*) "Affordable" means that the monthly gross rent does not exceed 25% of household income.

SOURCES: U.S. Department of Commerce, Bureau of the Census, Annual Housing Survey: 1981, Dallas, Texas, Table B-2: Financial Characteristics of the Housing Inventory: 1981, 1977, 1974, and 1970; Metropolitan Housing Characteristics, 1980 Census of Housing, Dallas-Ft.Worth, Texas, Table C-4: Income and Poverty Status in 1979 of Renter Occupied Housing Units: 1980.

Table III

Rental Housing Costs and Renter Household Income: 1981

Household Income	Number of Households	No. with rent less than 25% of income	% with rent less than 25% of income	No. with rent less than 34% of income	% with rent less than 34% of income	No. with rent more than 50% of income	% with rent more than 50% of income
Less than $3,000	12,400	2,800	23	3,000	24	7,000	56
$3,000 - $ 6,999	29,200	3,100	11	8,200	28	13,300	46
$7,000 - $ 9,999	20,000	2,900	15	7,400	37	2,900	15
Less than $10,000	61,600	8,800	14	18,600	30	23,200	38

Rental Housing Costs and Renter Household Income: 1977

Household Income	Number of Households	No. with rent less than 25% of income	% with rent less than 25% of income	No. with rent less than 34% of income	% with rent less than 34% of income	No. with rent more than 50% of income	% with rent more than 50% of income
Less than $3,000	19,500	4,600	24	6,100	31	10,700	55
$3,000 - $ 6,999	35,400	7,600	21	16,600	47	6,000	17
$7,000 - $ 9,999	29,600	11,400	39	24,400	82	600	2
Less than $10,000	84,500	23,600	28	47,100	56	17,300	20

SOURCE: U.S. Department of Commerce, Bureau of the Census, Annual Housing Surveys: 1981, 1977, Dallas, Texas, Table B-1: Income of Families and Primary Individuals in Owner- and Renter-Occupied Housing Units.

Table IV

Rental Housing Costs and Renter Household Income: 1981 and 1977

Household Income	1981 Number of Households	1981 Median Rent: $	1981 Median Rent: % of Income	1977 Number of Households	1977 Median Rent: $	1977 Median Rent: % of Income
Less than $3,000	12,400	170	60+	19,500	102	50
$3,000 - $ 6,999	29,200	212	48	35,400	147	37
$7,000 - $ 9,999	20,000	264	39	29,600	179	27
Less than $10,000	61,600	216	49	84,500	143	38
	. . .	...	...	. . .	...	...
CITY TOTAL	199,000	296	24	163,400	197	24

SOURCE: U.S. Department of Commerce, Bureau of the Census, Annual Housing Surveys: 1981, 1977, Dallas, Texas, Table B-1: Income of Families and Primary Individuals in Owner- and Renter-Occupied Housing Units.

Table V

Rental Housing Costs and Renter Household Income: 1979

Household Income	Number of Households	No. with rent less than 25% of income	% with rent less than 25% of income	No. with rent less than 34% of income	% with rent less than 34% of income	No. with rent more than 50% of income	% with rent more than 50% of income
Less than $5,000	30,280	2,969	10	5,301	18	18,100	60
$5,000 - $ 9,999	37,984	6,128	16	16,501	43	7,449	20
Less than $10,000	68,264	9,097	13	21,802	32	25,557	37
Income below Poverty Level (*)	32,776	4,422	13	7,866	24	17,018	52

Household Income	Number of Households	Median Rent: $	Median Rent: % of Income
Less than $5,000	30,280	186	50+
$5,000 - $ 9,999	37,984	231	37
Less than $10,000	68,264	209	44
Income below Poverty Level (*)	32,776	198	50+

(*) Includes all households with incomes less than poverty threshold in 1979. This threshold varies depending upon family size, from $4,723 for a couple to $7,412 for a 4-person family unit up to $14,812 for a family of 9 or more persons.

SOURCE: Metropolitan Housing Characteristics, 1980 Census of Housing, Dallas-Ft. Worth, Texas, Table C-4: Income and Poverty Status in 1979 of Renter-Occupied Housing Units: 1980.

Table VI

Renter Households and Affordable Housing Units: 1977
[30% gross rent/household income ratio]

Household Income	Number of Households	Number of Affordable Units (*)	(Gap) or Surplus for Income Range	Cumulative (Gap) or Surplus
Less than $3,000	19,500	11,700	(7,800)	(7,800)
$3,000 - $ 6,999	35,400	56,000	20,600	12,800
$7,000 - $ 9,999	29,600	60,600	31,000	43,800
Less than $10,000	84,500	128,300	43,800	43,800

Renter Households and Affordable Housing Units: 1981
[30% gross rent/household income ratio]

Less than $3,000	12,400	7,100	(5,300)	(5,300)
$3,000 - $ 6,999	29,200	17,700	(11,500)	(16,800)
$7,000 - $ 9,999	20,000	34,700	14,700	(2,100)
Less than $10,000	61,600	59,500	(2,100)	(2,100)

(*) "Affordable" means that monthly gross rent does not exceed 30% of household income.

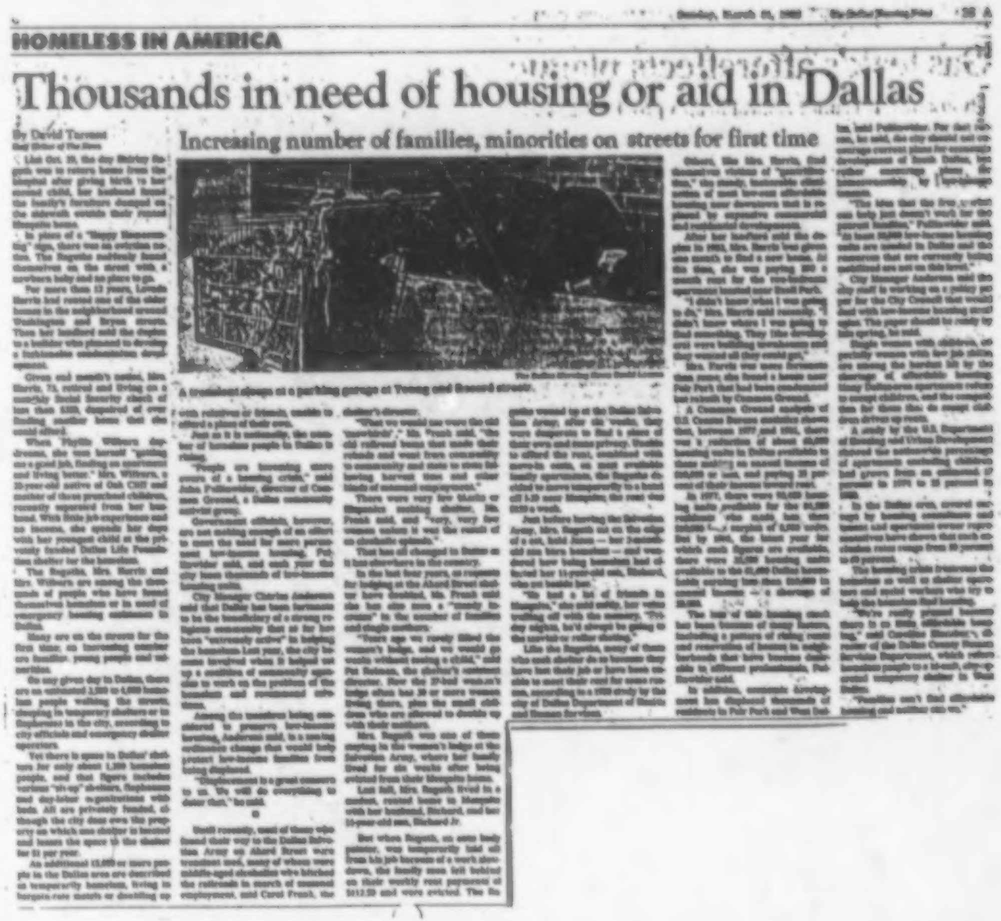
SOURCE: U.S. Department of Commerce, Bureau of the Census, Annual Housing Surveys: 1981, 1977, Dallas, Texas, Table B-2: Financial Characteristics of the Housing Inventory: 1981, 1977, 1974, 1970.

NOTE: The corresponding figures from the 1980 Census are as follows:

Less than $5,000	30,280	14,288	(15,992)	(15,992)
$5,000 - $ 9,999	37,984	67,988	30,004	14,012
Less than $10,000	68,264	82,276	14,012	14,012

A note on the tables.

Working with the Annual Housing Survey as printed limited somewhat the precision of the presentation in the tables. For example, the affordable rent range (at 25% of household income) for a household earning less than $3,000 annually is $0 - $63 per month. The closest corresponding rent range specified in the AHS is $0 - $79 per month. For a household at this low range, the affordable rent range (at 30% of household income) currently endorsed by federal regulations is $0 - $75; using the AHS printed tables, the closest corresponding rent range is also $0 - $79. At the lowest income levels, then, these tables will tend to understate the crisis situation. As one moves into the middle and upper-income ranges, these tables will tend slightly overstate the lack of affordable units. This is an unavoidable problem without access to the raw data and the computer capacity to redraw the ranges which appeared in the printed AHS.



HOMELESS IN AMERICA

Thousands in need of housing or aid in Dallas

Increasing number of families, minorities on streets for first time

Factors resulting in the loss of affordable low-income housing, in displacement of low-income people, and in the disruption and destruction of lower-income neighborhoods.	Factors contributing to the preservation of affordable low-income housing, to the stabilization of low-income areas, and the expansion of low-income housing inventory.
Disinvestment by absentee owners.	Individual homeownership among lower-income residents.
Code enforcement policies without financing options for necessary repairs for owners willing but unable to make repairs; policies with no option but ordering demolition for owners unwilling to make repairs.	Complaint-centered, tenant-rights oriented code enforcement policy, including tools to force landlords to make repairs (repair-and-deduct laws) and adequate financing for owners willing to make repairs. Focus on health-and-safety repairs.
Zoning which is inconsistent with current residential land use--speculative zoning.	Zoning which is consistent with existing land use--descriptive zoning, with a focus on preservation.
Redevelopment of lower-income neighborhoods for higher-income housing (gentrification), for non-residential uses (commercial, office, industrial), and for public works or institutions (freeway construction, public schools, etc.).	Neighborhood-based development--improvements in living and housing conditions for the benefit of and under the direction of current low-income residents. Respect for traditional land uses in a given area (or incremental changes over time, say, from low-density residential to compatible mixed-uses).
Institutional expansion into adjacent residential areas (such as Baylor University Medical Center into Washington Place, Fair Park parking into homes just south of the midway).	Protection through zoning and other policies of the existing lower-income neighborhoods, including environmental protection from nearby industrial sites.
Land speculation, in conjunction with a commitment to "highest and best use" defined solely in terms of profit per square foot.	Non-speculative ownership of land and housing (co-operatives, land banking and land trusts, non-profit and church-related ownership); recognition of social dimension of "highest and best use."
Lack of housing access for families with children.	Expansion of fair housing rights to include the rights of families with children.
Racial discrimination.	
Inadequate funding of existing public housing; disinvestment of public housing by PHA.	Moratorium on all sales of public housing and publicly subsidized housing (Section 221, 236, etc.).
Extremely limited tenant rights (no repair-and-deduct, no protection from rent increases, no rights of tenure).	Strong tenant groups. Tenant-oriented housing law, including right-of-first-refusal in the event of sale of leased premises.
Redlining.	Direct public investment to break redlining patterns; focus all investment subsidies to the benefit of lower-income households and neighborhoods.
Use of investment subsidies (below market bond financing) for middle and upper-income households at the expense of lower-income households.	

Chairman **Gonzalez**. Thank you very much, Mr. Fullinwider. It is a most interesting and seminal presentation.

I wanted to make an observation. Section 221(d)(3) housing was really pre-Great Society by a couple of years, 3 years or so.

Mr. **Fullinwider**. I was only 12.

Chairman **Gonzalez**. Yes, this continued because it was considered a windfall for the developer. But you pointed out a fact that has been completely left unmentioned in the discussions on housing, so I wanted to thank you because you have a very graphic, dramatic description of the impact when the 20-year period is up of section 221(d)(3), section 23, housing, and I thank you for that.

Since you really hit one of the real pride and joys of my colleague, enterprise zones, I'm turning it over to him.

Mr. **Bartlett**. Well, thank you, Mr. Chairman. Actually I thought what Mr. Fullinwider was talking about was homeownership, which is my real pride and joy. As you mentioned, I compliment this entire panel for rather extraordinary testimony, and, in particular, Mr. Fullinwider, and Reverend Haynes, for talking about reform of the status quo. I've never heard enterprise zones described as conventional before, but I suppose in an unconventional sort of way one could reach that conclusion.

Mr. **Fullinwider**. And they had them in the 19th century.

Mr. **Bartlett**. Yes.

Mr. **Fullinwider**. The whole country was one big enterprise zone, the robber barons, you know. You remember it.

Mr. **Bartlett**. Perhaps one day we'll try it and then we'll find out how well it works.

Let me ask you, Mr. Fullinwider, and some of the others may want to answer. I know that you've been very involved in homeownership opportunities for low-income residents through Common Ground. I wonder if you could describe for us whether you think that those homeownership opportunities ought to be made available to residents of public housing also, and if so, how could that be done in your judgment?

Mr. **Fullinwider**. In my judgment, the method of homeownership within a multifamily development should be the form of cooperative, and I think it should be left up to the residents themselves of that cooperative how much, or whether they want to limit the equity in such a way that the thing stays preserved over time.

But I think there's also an interest in the general public in that issue, but I wouldn't want to dictate that to those residents. But I think that cooperatives generally would be better than a condominium approach, and I certainly think that a resident cooperative provided with adequate technical assistance in the early years, and given the exact same or better subsidy than the housing authority itself receives, would be the approach that I would like to see taken.

I think that the one thing about homeownership in multifamily setting that I think is missed a lot of times, and that is there could be a lot of turnover; apartments turnover in Dallas is real high for people that can do it, and you'd want to make sure that as you had a succession of owners you didn't lose that affordability factor.

In single family homeownership the program that we're pursuing also has a nonspeculative angle to it in that it involves a use of a legal entity called a community land trust to where it's similar in that respect to a condominium where the title to the land stays in the representative nonprofit body, whereas in the access to the land is preserved for overtime over generations for a long term ground lease that's made available at a nominal fee.

I am very interested in using the limited resources we can get our hands on for homeownership among low-income people. I think it's probably the most effective way to stabilize and rebuild communities. But I think that it's important to realize that given the fact that the real estate market, whoever is in control of it, just about as long as you're in a market situation you're going to end up with the result we've got today.

And I believe that such a significant part of this population—I mean, by this population I mean people who live in Dallas. I'm not trying to talk about any specialized population, but I'm saying such a significant part of people that live in Dallas are not in the real estate market except as victims, it doesn't behoove us to, in my opinion, put a lot of resources into market oriented strategies at this point.

I'm not talking about government ownership of everything, but I do believe that in the same way that health services and other things, there's kind of this third sector, the nonprofit world, that I think is very appropriate for housing.

So that would be my answer to that question.

Mr. **Bartlett**. So you do believe that we should move toward tenant ownership and/or tenant management in the public housing, given the caveats.

Mr. **Fullinwider**. Given the caveats, yes, but I don't want to be seen as endorsing the kind of sloganeering that normally goes on in relation to those efforts. That somehow to give the residents of a public housing project that's in terrible condition title to that project, and cut the subsidy at that point and say, hey, you know, you've got home ownership, I am not in favor of that. I think that there's some—the resident organizations could use some technical assistance in real estate management. There's no reason for the housing authority and HUD to make these units a disaster and then, oh, yeah, well, we were going to give them to you all along anyway. Well, why didn't you give them to them when you first built them before they were ruined.

So, I don't want to be seen as endorsing a slogan that is not a program in my opinion.

Mr. **Bartlett**. Well, I agree with you.

Reverend Haynes, I wonder if you could describe—you had some excellent testimony I thought particularly with regard to Common Ground.

Does Common Ground receive block grant funds now, or what are the sources of funds?

Mr. **Haynes**. Common Ground does not presently receive block grants mainly because of the bureaucratic regulations of city hall as far as their redtape is concerned. The city hall government, which is not always the Federal Government with redtape, determined that they wanted to put more stipulations than were required with a HUD grant on Common Ground. The board of

Common Ground decided that at that particular time that we were not willing to deal with the specific regulations of red tape.

So at present Common Ground is basically a private foundation individually funded type of project.

But the key that I am trying to say in terms of Common Ground, I think nonprofit and religious communities have a term out for new models of opportunities, new approaches, newer strategies, in dealing with the issue of housing, low income housing. And many of these new strategies and new models and approaches can be adopted by the Government on a magnet scale.

I think it's time that we begin to think new and creative thoughts. I think it's time we begin to create new models. And that does not mean in terms that we negate what has taken place in the past without putting something there in place of this.

But I think if we're going to really resolve the issue and begin to get a handle on the housing crisis for the poor, it is going to require some new thinking and some new strategies.

Mr. **Bartlett**. Would you advocate as one of those strategies, and a priority in your basis, to hire tenants in rehabilitation work, both rehabilitation and management of the units themselves?

Mr. **Haynes**. Yes, I think that that is one program, but I go back to one of my other points, is that I think we have to think in terms of holistic and comprehensive approaches to the problem. The basic problem that we have had historically is that we think so narrow minded in that we just want to build people houses without thinking about child care, without thinking about job referral, without thinking about training. All of those particular considerations have to come in a holistic approach if we're going to really deal with the problem.

I do agree that the tenant project of working in terms of receiving job training is good, but that has to be put in a comprehensive programmatic process.

Mr. **Bartlett**. Thank you.

Chairman **Gonzalez**. Thank you very much, and I want to thank each and every one of you in the panel.

Ms. Wooten, I'm sorry that we're here sort of, as far as you're concerned, sort of a post mortem, and they never do anything, you know, postmortems. They're just too late. But nevertheless, I want to assure you that your contributions today will be very helpful to us on the subcommittee.

We want to thank you very much for your presence and the time you took to be here.

We were supposed to have broken up at 12 for a 1-hour lunch break which we had committed to some tenants, but I notice the witnesses that were due here at 1, I recognize some. And I'm going to ask my colleague what his recommendation or suggestion might be.

As far as I'm concerned I can continue through. I don't have to have lunch. But I don't want to impose that on anybody else. And I'm perfectly willing to entertain some of the testimony while the lunch proceeds, if you wish.

I know that that's awkward because you want to be present to hear each and every one of the witnesses.

Mr. **Bartlett**. Mr. Chairman, of course, I'll—if the chairman will yield, I'll handle the hearing any way the chairman wants to. You and I have been through many all day hearings in which both of us have skipped lunch, and so that wouldn't be anything new.

I think it might be useful to invite, as we have, the witnesses who are next scheduled for 1, as well as the other witnesses of the afternoon and morning, together with the tenants to take 30 minutes and have lunch, and I think it would be a very useful informal hearing to hear what the tenants have to say across the lunch table.

Chairman **Gonzalez**. That's an excellent suggestion. I'll ask the witnesses on notice on the next panel, Mr. Norcell Haywood, and Mr. William Farrell, and Sergeant Steele who I saw in the doorway a while ago, I don't know if you heard Congressman Bartlett's suggestion. If it's amenable to you, if you don't have time pressures, why don't you join us then and we'll proceed to the site of the lunch, and instead of 1 hour come back in ½ hour.

And if that's accessible to you, Mr. Haywood, then this subcommittee will stand in recess for ½ hour until 1:45.

[Whereupon, at 1:15 p.m., the hearing was recessed, to reconvene at 1:45 p.m., this same day, Tuesday, October 15, 1985.]

Chairman **Gonzalez**. The subcommittee will come to order.

The Chair has been notified that one of our panels has a time problem, and so we're going to go ahead and recognize the first panel that we spoke of before we left for lunch. And then if there's no objection from the second panel, that would be Ms. Crawford, Reverend Hogg, Mr. and Ms. Rano, and Mr. Travis.

We'll recognize that other panel on the hearing list because the few members are going to have to leave. They have a real problem.

So we'll proceed by recognizing this panel consisting of Mr. Norcell D. Haywood, Mr. William F. Farrell, Jr., and, of course, Sgt. Herbert A. Steele.

And we will ask you if you have any time problems, or you're under any pressure. I know you've been here quite a bit, Mr. Farrell.

Mr. **Farrell**. I'd like to leave that to this.

Chairman **Gonzalez**. Well, if there's no objection, we'll recognize you first.

STATEMENT OF WILLIAM F. FARRELL, JR., COMMISSIONER, DALLAS HOUSING AUTHORITY, CHAIRMAN, EXECUTIVE COMMITTEE STEP FOUNDATION, PRESIDENT, FARRELL FINANCIAL SERVICES, INC.

Mr. **Farrell**. Congressman Gonzalez, and Congressman Bartlett, we appreciate the opportunity to appear. As I mentioned at lunch, I'm a commissioner on the Dallas Housing Authority, and, in addition, I'm chairman of the executive committee of the STEP Foundation, which is a private foundation here in Dallas and six other cities.

My purpose here is to present to you briefly the work of the STEP Foundation as it relates to public housing,and to offer to you some obvious problems. We think they're obvious, which only legislation can solve.

STEP is an acronym for strategies to elevate people. The organization was formed in Dallas, as I said, and now is in five other cities.

The mission of the STEP Foundation is to help the low-income citizens to uplift themselves, give them opportunities far beyond the present living standards.

Our work in Dallas is divided into four areas each of which has as their hub the people who live in public housing projects.

The primary strategies are to surround the people working with the poor, including teachers, principals, welfare workers, housing authority employees, and police, all the way from the local areas to the mayor and superintendent of schools, the head of the Texas Department of Human Resources, director of the housing authority, and the chief of police.

We attempt to bring these public servants help to carry out their duties by bringing volunteers from local churches and businesses. Some examples of our activities include 600 volunteers arrived at the Rhoads Terrace housing project at 8:30 on Saturday morning to clean up debris caused by the residents and by the stripping of 70 roofs in the project. In addition, 20 of those roofs were reroofed.

Sixteen hundred volunteers arrived at West Dallas housing project on a Saturday morning to clean up the debris of what is the largest housing project, not highrise, in the country.

Fifty volunteers arrived to build a corral through my compatriot here, Sergeant Steele, in the West Dallas housing project and Sergeant Steele is head of the security for that project.

We've constructed playgrounds, and a library in the Roseland Homes housing project. In addition, playgrounds were constructed with the J.W. Ray Elementary School north of Roseland Homes, and the Fannie C. Harris Elementary School near Fair Park, at the Rhoads Terrace housing project in South Dallas.

Incidentally, you were asking if the city was doing anything to fix up the houses that were under code violation. This is not in my testimony, but the mayor has furnished us with a warehouse which we in partnership with them run, which takes supplies, materials, equipment, from contractors who are through with their jobs and then we have churches that go out every single weekend to fix up houses that are under code violation. Paint them, fix them. We've done over 150, and we do 7 or 8 every weekend. And that is one place the city has helped us because they've furnished that warehouse.

We have a street academy aimed at 200 high school dropouts in Dallas to teach, tutor, and guide them back into the educational process. That was done this summer.

Plans are presently underway to help the Dallas Housing Authority in the reclamation of the West Dallas project, and moving of the unit of the Dallas County Community College to that particular area.

My purpose in listing these accomplishments of my volunteers is not to brag, but to tell you that we are not activists or agitators, we are citizens who feel concern for our fellow low income citizens in the community. We're spending many hours of work and effort to accomplish just that.

We have no ulterior motive. There's nothing in this for us except work, and the wonderful feeling of accomplishment we feel when we're able to give significant help to people.

We feel it's time that Dallas did something about the deplorable conditions we find here. In listening to Reverend Haynes I would have to say that we are holistic in our approach. I didn't realize we were, but we are after hearing what he said holistic was, in that we are not only after the housing problems, but we're after the education problems, the health problems, and we're trying to uplift people.

Our second primary strategy is to surround the low-income people with some of the more fortunate citizens. These volunteers work one on one with families who live in housing projects helping them to finish their educations, learn to drive, find employment, move their families to better housing, which is a tremendous problem incidentally, and help their children to break the cycle of poverty that surrounds so many of them.

We've had some real success stories, but those who have been our successes have done it despite the tremendous disincentives they face when they try to upgrade themselves. And I'd like to enumerate those, or some of them. I'd like to give you some examples of how disincentives have really affected the people that we're working with.

One of the welfare mothers living in the housing project was befriended by some of our volunteers who met her in a cleanup that we did down at Rhoads Terrace. As a result of their conversation that day, and encouragement from one of our street workers, she was convinced that she wanted out and wanted to get a job.

She was hired by the same volunteers who offered her wages above minimum wage with the proviso that if she worked for a year she would get a fairly substantial bonus to apply toward the downpayment for a home. Each year she worked the bonus would grow until she had enough to move out of the project. She was excited until she actually went to work. She found that after riding the bus for an hour and a half to work, working all day, returning to her children who were being kept by her mother, that she could not replace the additional rent she had to pay, the loss of welfare, the loss of food stamps, the Medicaid.

We've got to give these folks some time before we apply these very harsh rules. You're only concerned with the housing rules, but we need to scale this down gradually, and let them begin to learn the marketplace, have a chance to do better than the Government is handling them.

And I'd love to see the Housing Subcommittee step forward on that and give a 6 to 12 month period where that rent gradually is increased instead of just jerking it right out from under them because it's not working.

A young man in one of our families who just finished his first year at El Centro Junior College. We applauded his good grades, and then arranged a loan to help him enter college, which he has now paid back. This summer he found a job earning over $600 a month to help his mother to help send him back to school this fall.

Since he's over 18 the family must report his income and turn $180 a month over to the mother, who incidentally has steady employment, to pay the increased rent due to the housing authority. Every one of the other young men who worked at the same summer job got to keep their full income less Federal taxes, of course.

It's unfair to penalize those who live in housing projects when they are reportedly our lowest income group. If they are full-time students for 9 months of the year they shouldn't be penalized for working the other 3 months.

A young third grader lives in a home in one of our housing projects with two older sisters, his mother, and John. His mother works, John works, but while John is his father, and the father of his two sisters, he's not the husband of his mother, nor does he introduce him as his father. He's simply John.

If the family reported the income that John earns their rent would immediately double, and so they don't report the income. They don't marry, and the little third grader has no one he can call his father.

So far his sisters have escaped pregnancy, not through—even though a large percentage of the very young girls have not. They found that their mothers were pregnant in their teens, and their grandmothers too. It's been going on for so long that it's pretty much accepted as a form of behavior in the community. In fact, it is almost a badge of honor for a young girl to have a child. The only problem is that she's now committed herself to the project and to the welfare system for life. What an awesome decision for a young teenager to make and how difficult it is for her children to achieve anything much more than they now have.

It's very difficult for a child to progress educationally, learn marketable skills when their mother has not finished the sixth grade; a system which causes people to cheat, and lie, and live out of wedlock, is not something this country or Congress should stand for.

No. 5, a very fine young man who grew up in one of our projects graduated from East Texas State University with a degree in journalism last spring, an exceptional athlete starting on their football team for 4 years, truly one of the successes of the area. He chose to work for the STEP Foundation and has done a very fine job for us.

Three weeks ago he called me and said that his grandmother, two brothers, and a sister, were about to be evicted. It seems that his sister had not reported her part-time income for over a year because she thought she didn't have to if you were a full-time student, which she still is. As a result, the housing authority must collect $1,053 or evict them.

They couldn't even pay it out. So we arranged a loan for him at the bank, and now he has a responsibility of paying back the $89 a month. But here's the irony. Before he can earn enough income to pay back the loan he must give his grandmother the 30 cents out of every dollar to pay the increased rent that she must pay on her apartment after he pays Federal income tax and Social Security because of the income he's now bringing in. They would have to move to—they would move to a better apartment but all the grandmother's friends live in the project.

Just a footnote. While he was away from town on STEP business his little brother totaled his car and the insurance company has been very uncooperative. Really it is hard for the gifted ones even to pull themselves up.

My point simply is this. As long as our well-meaning system is structured to cut the legs out from under anyone who wants to work and better themselves, we will not only sentence the next generation to the same condition, but all those that follow. Any system that destroys people's dignity by making it almost impossible to work, encourages cheating, promotes the utter decay of the family, financially cripples those who try to get educations, has got to be wrong and unfair.

In my opinion, our foundation and the many others who are trying will never get through the problems as long as our Government continues these present programs. We have millions of hours invested by Congress on how to tax us differently.

The survey in Dallas listed the North-Central Expressway as our biggest problem. When I see what's happened to people in our housing projects, the way we've imprisoned them, the lives of wide desperation, I fail to understand why this is not the No. 1 priority because in this case we're destroying people's lives.

Chairman GONZALEZ. Mr. Haywood?

[The prepared statement of Mr. Farrell follows:]

STATEMENT
William F. Farrell, Jr.
Commissioner, Dallas Housing Authority
Chairman, Executive Committee STEP Foundation
President, Farrell Financial Services, Inc.

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The primary strategies are to:

1. Surround the people working with the poor, including teachers, principals, welfare workers, housing authority employees, and police all the way from the local areas to the Mayor, the Superintendent of Schools, the Head of the Texas Department of Human Resources, the Director of the Housing Authority, and the Chief of Police. Attempt to help these public servants carry out their duties by bringing volunteers from local churches and businesses. Some examples of these activities include:

    A. 600 volunteers arrived at the Rhodes Terrace Housing Project at 8:30 on a Saturday morning to clean up debree caused by the residents and the stripping of the 70 roofs in the project. In addition 20 roofs were reroofed by volunteers.

    B. 1600 volunteers arrived at the West Dallas Housing Project on a Saturday morning to clean up the debree of what is the largest public housing project (not high rise) in the country.

    C. 50 volunteers arrived to build a corral for Sgt. Steele's horses in the West Dallas Housing Project. Sgt. Steele is the head of security for the project.

    D. Construct a playground and a library in the Roseland Homes Housing Project. In addition, playgrounds were constructed at the J.W. Ray Elementary School one block north of Roseland Homes and at the Fannie C. Harris Elementry School near Fair Park, and the Rhodes Terrace Housing project in South Dallas.

E. A Street Academy aimed at 200 school dropouts in Dallas to teach, tutor, and guide them back into the educational process was begun this summer.

F. Plans are presently underway to help the Dallas Housing Authority in the reclamation of the West Dallas Project and the moving of a unit of the Dallas County Community College to that area.

My purpose in listing the accomplishments of our volunteers is not to brag, but to tell you that we are not activists or agitators, we are citizens who have a deep concern for our fellow low income citizens in our community and we are spending many hours of work and effort to accomplish just that. We have no ulterior motive. There is nothing in this for us except work and the wonderful feeling of accomplishment we feel when we are able to give significant help to people. We feel it is time Dallas did something about the deplorable conditions we find here.

2. Our second primary strategy is the surround the low income people with some of our more fortunate citizens. These volunteers work one on one with families who live in housing projects, helping them to finish their educations, learn to drive, find employment, move their families to better housing, and help their children to break the cycle of poverty that surround so many of them. We have had some real success stories, but those who have been our successes have done it despite the tremendous disincentives they face when they try to upgrade themselves.

A. One of the welfare mothers living in a housing project was befriended by some of our volunteers who did one of the clean up projects, and met her in that way. As a result of their conversation that day and encouragement from one of our "street workers", she was convinced she wanted to to get a job. She was hired by these same volunteers who offered her wages above minimum wage, with the proviso that if she worked for a year, they would give her a fairly substantial bonus to apply toward a down payment on a home. Each year she worked, the bonus would grow until she had enough to move out of the project. She was excited until she acutally went to work. She found that after riding the bus for one hour and a half to work, working all day, and then returning to her children who were being kept by her mother, that she could not replace the additional rent she had to pay, the loss of welfare, the loss of food stamps, and medicade. We must give these folks some time before we apply these very harsh rules. They need to be scaled down gradually until they can begin to learn the marketplace and have a chance to do better than the government is handing them.

B. A young man in one of our families had just finished his first year at El Centro Junior College. We applauded his good grades, and had arranged a loan to help him enter college which he has paid back. This summer, he found a job earning over $600 per month to help his mother to send him back to school this fall. Since he is over eighteen, the family must report his income and turn $180 per month over to his mother, who incidentally has steady employment, to pay the increased rent due the Housing Authority. Every one of the other young men who worked at the same summer job got to keep their full income, less Federal Taxes, of course. It is unfair to penalize those who live in housing projects when they are reportedly our lowest income group. If they are full time students for nine months of the year, they shouldn't be penalized for working the other three months.

C. A young third grader lives in a home with two older sisters, his mother, and John. His mother works and John works, but while John is his father, and the father of the two sisters, he is not the husband of his mother, nor does he introduce him as his father. He is simply John. If the family reported the income John earns, their rent would immediately double, and so they don't report the income, they don't marry, and our little third grader has no one he can call his father.

D. So far his sisters have escaped pregnancy even though a large percentage of the very young girls have not. They have found that their mothers were pregnant in their teens, and their grandmothers too. It has been going on for so long that it is pretty much accepted as a form of behavior the community accepts. In fact is is almost a badge of honor for a young girl to have a child. The only problem is that she has now committed herself to the project and to the welfare system for life. What an awsome decision for a young teen ager to make, and how difficult it is for her children to acheive anything much more than they now have. It is very difficult for a child to progress educationally and learn marketable skills when their mother has not finished the sixth grade. A system which causes people to cheat and lie and live out of wedlock is not something this country or the Congress stand for.

E. A very fine young man who grew up in one of our projects graduated from East Texas State University with a degree in Journalism last spring. He was an exceptional athlete, starting for their football team for four years. Truly, one of the successes. He chose to work for the STEP Foundation and has done a very fine job for us. Three weeks ago, he called me and said that he, his grandmother, two brothers and a sister were about to be evicted. It seems that his sister had not reported her part time income for over a year because she thought that you didn't have to do that if you were a full time student, which she still is. As a result, the Housing Authority must collect the $1053 or evict them. They couldn't even pay it out. We arranged a loan for him at a bank, and now he has taken responsibility for paying back the $89.00 per month, but here is the irony. Before he can earn enough income to pay back the loan, he must give his grandmother 30 cents of every dollar to pay the increased rent she must pay on their apartment after he pays Federal Income Taxes and Social Security because of the income he is now bringing in. They would move to a much better apartment, but all of the grandmothers friends live in the project. Just a footnote, while he was away from town on STEP business, his little brother totaled his car, and the insurance company has been very uncooperative. It really is hard for even the gifted ones to pull themselves out.

My point, simply is this. As long as our well meaning system is structured to cut the legs out from under anyone who wants to work and better themselves, we will not only sentence the next generation to the same condition, but all those that follow. Any system which destroys peoples dignity by making it almost impossible to work, encourages cheating, promotes the utter decay of the family, financially cripples those who try to get educations, has got to be wrong and unfair.

In my opinion, our Foundation and the many others who are trying will never get the root problems solved as long as our government continues these present programs.

We have millions of hours being invested by Congress on how to tax us differently. A survey in Dallas listed North Central Expressway as our biggest problem.

When I see what has happened to the people in our housing projects, the way we have imprisoned them to lives of quiet desperation, I fail to understand why this is not the number one priority because in this case we are destroying peoples lives.

STATEMENT OF NORCELL HAYWOOD, PRESIDENT, HAYWOOD-JORDAN-McCOWAN SAT, INC.

Mr. HAYWOOD. Congressman Gonzalez, Congressman Bartlett, guests, and staff, I want to express my appreciation for you inviting me. Congressman Gonzalez, Congressman Bartlett, I'd like to express my appreciation on behalf of our architectural firm who designed the project here for inviting us today.

We furnished you a copy of our testimony, and I will read some highlights from it.

In 1938 the Dallas Housing Authority would commence with assistance from the U.S. Housing Authority initiated the development of public housing. Roseland Homes, one of several early public housing projects conceived in Dallas, was developed as a means of reducing slum housing.

The initial plan for Roseland called for several hundred dwelling units to accommodate the black population of Dallas. The project was conceived as a no-frill development with minimum room sizes and few amenities. The residential units were organized in one-, two-, three-, and four-bedroom types. The site selected for Roseland Homes was formed in an existing residential area close to proximity—in close proximity to downtown Dallas.

Roseland Homes was developed as a high concentration of dwelling units significantly greater in density—I'd like to underline that fact—significantly greater in density than the general residential areas throughout Dallas.

In 1942 Roseland Homes opened for occupancy with a total of 650 residential units located in 64 separate buildings, and 1 administration community building. In determining the course of the modernization, the only relationship between Roseland Homes and other key factors within the locality warranted considerable study.

In short, the main factors here, Roseland Homes at the time we started, and some of these factors still exist, was bordered by Central Expressway, the Dallas central business district, asserts to disestablish the project as a visible and physical impact which could significantly affect the downtown area and future neighborhoods.

Immediately surrounding Roseland Homes is a mixture of frame brick houses characterizing modest to poor physical appearance. Many of the surrounding structures, especially in North Washington, are abandoned and present a visual eyesore as well as harboring illegal activity.

Mind you now, this study was made in 1978, so I think you get a pretty good picture of what we cited then, and you can compare what we have now.

At the time we started the study Fox & Jacobs were planning on building a development in close proximity. Since that time they have completed that. We actually thought that the development of their project would influence the project here.

From the standpoint of our involvement as architects the context of what we were doing, replacing screens, kitchens, and those kinds of things, I'd like to cite to you some of the things that I think are pertinent to you as a committee.

No. 1, the issue of crime and security in the project. We found that 87 percent of the crimes that were committed on the residents were committed by outsiders. We found that the project was surrounded by barriers, pawnshops, and these kinds of things. That the problem of undesirable elements was not within, it was from without.

So the housing authority owns the property up to the sidewalk, but it behooves the city to deal with those factors on the periphery of the project.

For example, the broken down cars and things that were on the property, about 90 percent of those cars belong to outsiders.

One of the key factors that we did, and we were shot right out of the saddle on it, we wanted to reduce the density. I have a copy of the study. It's kind of beaten up. Unfortunately, when we started the project we started on the one executive director and we ended up with Mr. Herrington, so there was some kind of lack of continuity, and we also got caught in an administrative change.

HUD simply could not understand the importance of reducing the density, that is, to create open spaces. If you walked around the project today you got a chance to see we had clotheslines, and those kinds of things. We took some of the one-bedroom units out and created washeterias, and one of the key things that we did, we zoned the elderly. We took the elderly from the back of the project and put them up on the corner so they would not have to walk through the project to catch the bus, and those kinds of things.

The other factors, just simple things, landscaping. And there is a concept, when I first started dealing with the housing authority, a local architect created a concept called the Poterio concept, maybe I'm not saying that right, but anyway, it had to do with a breakoff of a concept called defensible space.

I perceived defensible space not as putting up walls, or fences, and those kinds of things. I perceived defensible space in public housing as being one where there is a strong relationship between the indoor and the outdoor, and that is in a traditional residence the mother can stand in the kitchen window and look out over a child and see her playing. And so I said it's a visual, spatial relationship, not something where you put up a fence and catch grass, trash, and those kinds of things.

Open spaces, playgrounds, and those kinds of things, and having a common—I mean, a sensible limitation on density.

We recommended that the project end up with 400-and-some-odd units, and we were shot right out of the saddle on that, but we were able to demonstrate by saying we were going to use certain areas as storage areas, so we were able to camouflage our intent by saying that we had to move this building, so we were able to create some playground spaces, and those kinds of things.

Fortunately we've learned a lesson. We don't build apartment units as large in quantities with low income being concentrated in one area as we did here.

Some of the other key factors were again, I'd like to say, in terms of specific features. We found that the flat roofs on top of the buildings, the porches as you go into the buildings, they were using those to store bicycles. They also use those to step up in the window. That is why we have the shed roof.

When we came on the job we had a difficult time in getting the staff to understand the importance of getting residents involved.

Many and most of the concepts that we derive in terms of refurbishing, and modernizing, came from the tenants themselves.

And I strongly urge any kind of legislation that you introduce, or you expand to housing program, that you would make it a requirement to have tenant involvement in this process.

Essentially, we ended up with a budget of $11,300,000, and I'm very pleased to say that the low bid came in at $10,629,000. It was not from an esthetical point of view. What we desired, as you well know, HUD simply would not allow us to address the esthetics of the project.

But we did attempt to, without sounding self-serving, we did try to address those essential amenities that had to do with upgrading kitchens, bathrooms, and those kinds of things.

We'd like to also think that we redirected emphasis on what constituted the security, such as the trees. We planted trees, and the trees that were there we simply put plants around the trees so the people could lay on the trees, and climb up in the trees, and jump off of people. You would be surprised. This kind of information came from the tenants.

I could go on but the meat of the issues that are raising problems and solutions lie within this report.

[A letter from Mr. Haywood to Mr. Gonzalez and the study referred to follow:]

RCHITECTS & PLANNERS

Haywood-Jordan-McCowan SAT, Inc.

4140 Office Parkway, Suite 100
Dallas, Texas 75204
(214) 826-8120

October 15, 1985

Henry B. Gonzalez, Chairman
U.S. House of Representatives
Subcommittee on Housing and Community
Development
Ninety-Ninth Congress
2129 Rayburn House Office Building
Washington, DC 20515

RE: Subcommittee Hearings 10/15/85 Roseland Homes
Dallas, Texas

Dear Congressman Gonzalez:

Please accept my appreciation to you and your committee for allowing me to share with you some of my experiences on the subject project. As the attached excerpt from our study demonstrates we made a concerted effort at Haywood Jordan McCowan to develop a sound and efficient plan for modernization of public housing. We felt at the time if the plan was implemented in its entirety the results would be a positive impact on the health and social conditions of the Roseland Homes, as well as the City of Dallas.

It is interesting to note that one of the major obstacles that we encountered in getting the plan adopted was the reluctance on the part of HUD to reduce the density of the site and, thusly, create more open and "defensible" spaces. The scope of the project development was resolved to a final budget of $11,300,000. The low bid was $10,629,000 for the rehabilitation of the public housing complex, which, was 40 years old at the time.

During the period after the completion of the study and the implementation of the Architect/Engineer contract, there was a change in the Executive Directorship. The new Executive Director, Mr. Jack Herrington, ignored the previous director's recommendation that we be given the contract to renovate several housing developments in Dallas. He instead substantially reduced our fee and forced us to joint venture with a "major firm". We protested, consulted our attorney, and pursued local elected officials to assist us, all to no avail.

Members of American Institute of Architects Offices in San Antonio, Dallas and Houston

October 15, 1985
Henry B. Gonzalez, Chairman
page 2

Although our initial commitment was not honored, we were able to address and resolve many of the concerns of the administration, as well as the tenants, within the framework of the budget.

While this job did not render a profit for us, we gained valuable experience and exposure to redevelopment and modernization of public housing. HUD would not allow us to address the issue of aesthetics, (design) to any great extent, but we were able, with the assistance of the Dallas Housing Authority and the occupants of the Roseland Homes, to complete the construction documents and subsequently the successful completion of the project.

Time and space will not permit me to go into further detail as to the impact of these developments.

Finally, Congressman Gonzalez, to you and your committee we trust that these hearings will result in the better understanding of what the real issues are as they relate to an acceptable standard of living in public housing.

Sincerely,

Norcell D. Haywood, AIA
President

ss

SUBCOMMITTEE HEARINGS

HOUSING AND COMMUNITY DEVELOPMENT

NORCELL D. HAYWOOD, A.I.A.

HAYWOOD JORDAN McCOWAN OF SAN ANTONIO, INC.

ARCHITECTS AND PLANNERS

1. SCOPE

A. BACKGROUND/HISTORY:

In 1938, the Dallas Housing Authority with financial assistance from the United States Housing Authority, initiated the development of public housing. Roseland Homes, one of several early public housing projects conceived in Dallas, was developed as a means of reducing slum housing. The initial plan of Roseland Homes called for seven hundred (700) dwelling units to accommodate the black population of Dallas. The project was conceived as a no-frills development with minimum room sizes and few amenities. The residential units were organized into one, two three and four bedroom type units. The site selected for Roseland Homes was formerly an existing residential area in close proximity to downtown Dallas. Roseland Homes was developed as a highly dense concentration of dwelling units, significantly greater in density than general residential areas through Dallas. In 1942, Roseland Homes was opened for occupancy with a total of six hundred (650) residential units located in sixty-four (64) separate buildings and one (1) administration/community building.

In determining the course of modernization, the interrelationship between Roseland Homes and other key factors within the locality warrant considerable study. A short synopsis of these factors are as follows:

> Roseland Homes borders directly on the Central Expressway (IH45) and the Dallas C.B.D. As such, this establishes the project as a visual and physical impact which could significantly affect the downtown area and future development.

The neighborhood immediately surrounding Roseland Homes is composed of a mixture of frame and brick homes characterized as moderate to poor in physical appearance. Many of the surrounding structures, especially on North Washington, are abandoned and present a visual eyesore as well as harboring illegal activities.

Fox & Jacobs has constructed a large new downtown housing development composed of housing in the middle to upper middle income brackets. The location of this project is approximately two blocks to the east of Roseland Homes. Conceivably, Roseland Homes could significantly affect the proposed new housing development.

II. METHODOLOGY

A. PROGRAM:

The Dallas Housing Authority contracted the architectural services of Haywood Jordan McCowan, Inc. to prepare a preliminary analysis of modernization for Roseland Homes (TEX 9-1). The program was identified by the Dallas Housing Authority is as follows:

Visitation to the site by the architect

Consultation and interaction with the owners of the project (Dallas Housing Authority)

Consultation and interaction with the Residents Council of Roseland Homes.

Review of modernization regulation

Vicinity map showing location of project and neighborhood facilities

Site Plan (Revised)

Renderning of modernization of one building

Preparation of cost estimates of proposed modernization items, including those previously estimated by the owner and any additional items proposed by the resident organization

Prepare an analysis of the architects interpretation of proposed modernization from viewpoint of physical improvements, social economic upward mobility, security, and relation to neighborhood environment.

III. ANALYSIS PROCESS

The first task in conducting the preliminary analysis is to divide the project into three facets; orientation/interaction, problem identification and problem solution.

Orientation/Interaction facet involved interacting with the Dallas Housing Authority staff and the residents' council. The underlying purpose of this facet was to become acquainted with the project; obtain information and data; and to gain insight into key issues concerning Roseland Homes.

Problem Identification involved analyzing the data and information provided by the residents' council and Dallas Housing authority Staff. The data is then organized into a series of cause and effect relationships.

Problem Solution formulated solutions to the problems conveyed in the aforementioned problem identification facet. In conjunction with providing solutions to problems, this facet also offered recommendations to improve the conditions of the site and units.

PROBLEM IDENTIFICATION: This data and interviews supplied by the Dallas Housing Authority, in conjunction with site investigations and interviews with the residents' council, provided substantial insight into the problems concerning Roseland Homes. In this section, the problems were categorically broken down by their relationship to the following: Area surrounding Roseland Homes, Roseland Homes site, buildings and residential unit (interior/exterior), mechanical systems, electrical systems.

The problems and conerns of Roseland Homes are as follows:

AREA SURROUNDING ROSELAND HOMES:

1) Property and structures located on North Washington are boarded up and vacant, displaying extensive blight

2) Property on other streets adjoining Roseland Homes in fair to poor condition

3) Central Expressway (IH 45) interfaces directly on Roseland Homes

4) Structures on Hall Street are considered major drug distribution outlets

5) Majority of crimes inflicted upon Roseland Home Residents are perpetrated by non-residents

SITE

1) Lack of adequate parking, vehicles found parking on courtyards and walks.

2) High shrubs and fences provide hiding places for thugs and theives

3) Narrow streets on site creates auto congestion (Alonzo Place)

4) Lack of adequate site lighting

5) Lack of landscaping amenities

6) Lack of sidewalks in rear

7) Lack of aesthetic appeal in front and rear courtyards

8) Over abundance of clothesline pole

9) Lack of play facilities in rear courtyard areas

10) Exposed trash receptacles with no stationary location

11) Lack of paved surfaces exposing extensive amounts of ground area which is churned into mud during wet weather

12) Inadequate size of walkways (2'0") too narrow to accommodate pedestrian use

13) Poor site drainage causing sidewalks and playcourts to become submerged in water and mud during wet weather

14) Excessively high unit and building density throughout site: site composed of 29 acres, 650 units in 64 structures creating a density of 22.4 dwelling units per acre.

15) Lack of adequate clothes washing facilities on site and in surrounding neighborhood

16) Lack of recreation and community related outlets on site and within the surrounding neighborhood

17) Building clusters lack a sense of community

18) Lack of child play facilities in close proximity to units

19) Lack of buffer between playfield and residential units.

RESIDENTIAL UNITS (EXTERIOR)

1) Rats and roaches gain entry into units through holes in foundation

2) Lack of lighting at front and rear entrance to unit

3) Graffiti on walls of buildings

4) Canopies over front and rear entrances enables burglars to enter units as well as being used as outside storage by residents.

5) Lack of general storage for large bulky items

6) Roof shingles coming apart, especially at ridges, allowing water seepage into units.

RESIDENTIAL UNITS (INTERIOR)

1) Kitchen cupboards are outdated and in disrepair

2) Kitchen sink is outdated

3) Lack of adequate counter and cabinet space

4) Lack of floor covering throughout units

5) Lack of doors over closet area

6) Lack of storage area

7) Lack of moisture protection over bathroom walls

8) Front and rear doors have excessive glass exposing locking mechanism

9) Exposed hot water heater

10) Non-compliance to code by units occupied by elderly and handicapped

11) Stoops at rear of units in disrepair

MECHANICAL SYSTEM

1) Single space heater per unit is inefficient in terms of providing an unbalanced heating situation between the first and second floor (high waste of energy)

2) Lack of insulation in attic contributes to high heat loss factor

3) Leaks in kitchen and bathroom plumbing

4) Toilets pull away from floor connections

5) Lead pipes employed for sewage waste system are eaten away by rats causing sewage backups.

6) Administration building lacks efficient heating system and has no air conditioning system

7) Bathroom sink and faucets are old and leaky, requiring frequent repair

ELECTRICAL SYSTEM

1) Lack of adequate power receptacles for units

2) General lack of lighting for units and site

3) Lack of special power receptacles for major appliances

B. PROBLEM SOLUTION:

With an understanding of the problems, the next course of action is to formulate solutions. In developing solutions, our basic underlying goal is to improve the overall living conditions of Roseland Homes. The objectives employed in achieving this goal are:

1) A reduction in unit and building density so as to coincide with densities in the surrounding neighborhood
2) De-institutionalizing the appearance of the dwelling units and site so as to improve the general aesthetics of the project area
3) Providing community facilities, recreation and site amenities
4) Modernization of housing facilities so as to instill a sense of pride in the units and improve the livability of Roseland Homes

The proposed improvements were developed through the guidelines as outlined in the United States Department of Housing and Urban Development publication 7485.9 Transmittal No.1 10, January, .1977; Section 209 of the HCD Act; Section 202 of the HCD Act and Public Law 90-480 (Architectural Barriers Act of 1968).

The proposed improvements are categorized as they relate to the site; the unit (interior/exterior); the mechanical system and the electrical system.

SITE

1. Remove seventeen (17) buildings and one hundred seventy-two (172) units.
2. Conversion of four (4) buildings and thirty-six (36) units to community use (ie: elderly activity center, social service center/clinic, day care center, recreation center).
3. Conversion of six (6) first floor one bedroom units to laundry facilities.

4. Conversion of building cluster (5 buildings) in northeast corner of site) into elderly and handicapped complex of one bedroom and efficiency units

5. Combine second floor one bedroom units (where located over laundry facility) into extra bedroom space for adjourning unit

6. Increase amount of parking by 142 parking spaces

7. Providing screen walls around trash receptacles

8. Increase the amount of paved surface area in rear courtyards

9. Provide walkways for rear of units

10. Provide tot-lots with functional art items in rear courtyard areas

11. Remove existing pole type clotheslines and replace with limited number of umbrella type clothesline poles

12. Install pedestrian lighting in front and rear courtyards

13. Provide earth beams between residential units and playfield

UNIT (EXTERIOR)

1. Provide new, solid-core doors at the front and rear entrances

2. Redesign canopy over front and rear entrances

3. Provide outside storage shed

4. Remove graffiti from walls

5. Install patio slab at rear of units

6. Repair roofs where needed

7. Provide slotted mailbox through door

8. Provide lighting at front and rear entrance of unit

9. Provide rat wall and vapor barrier around foundation

UNIT (INTERIOR)

1. Install bi-fold doors over all closets

2. Install new kitchen sink, counter, cabinet, and cupboards

3. Enclose hot water heqater, provide covered door access

4. Provide wainscot around bath tub

5. Provide insulation in attic

6. Provide linoleum tile floor in all units

7. Repair windows

8. Provide vanity under sink

MECHANICAL SYSTEM

1. Replace worn plumbing pipes

2. Provide exhaust fans in attic

3. Relocate all utility meters on side of building

4. Replace heating system with forced air heating unit

5. Provide new heating and air conditioning system in administration building all community facilities

6. Provide showers in bathrooms

ELECTRICAL SYSTEM

1. Provide 220V receptacles in all units

2. Provide additional receptacles in all units

3. Provide new power distribution system

Along with the aesthetic and physical changes as outlined above, the proposed improvements will also reduce the overall density from a present 650 units to 432 units.

IV. OVERVIEW

A. IMPACT OF PROPOSED MODERNIZATION:

Key factors to be considered of the proposed modernization are viewed from the standpoint of their impact upon the social and upward mobility aspect; the security aspect; and the relationship to the neighborhood environment.

In terms of the social and upward mobility aspect, the proposed improvements will aid in establishing the following:

A sense of community within building cluster groups

A sense of pride and concern within the individual unit, as well as the entire project area

Outlets for social and recreational use, inducing constructive use of time

Stimulate a sense of achievement within school-age occupants

In terms of security, the installation of new lighting throughout the site could help discourage muggings and other serious crimes. The realization of a sense of community between building clusters coupled with the increased amount of human activity in playcourt areas, could serve as a deterrent to criminal activities. Crimes on the unit could be reduced by denying the perpetrator entry into the unit by the use of a new sloped canopy; new doors without glass panels and dead bolt locks, and lighting on front and rear porches.

Roseland Homes relationship to the surrounding neighborhood environment deserves considerable mention. The City of Dallas as a major urban center, is presently suffering from a loss of population. In efforts to curtail this condition, the city has embarked on a major downtown housing program acclimated to the iddle and upper middle income bracket. Consequently, the site this porject has been designated a distance of two blocks east Roseland Homes. In light of these conditions, it is highly nceivable that Roseland Homes will be a factor impacting on the oposed new development. The employment of the proposed odernization solutions could decrease the aesthetic gap between ne two housing projects.

Secondly, the modernization of Roseland Homes could instill shopkeepers and other merchants in the area to upgrade their properties and possibly trigger a rebirth of the central area surrounding downtown.

B. CONCLUSION:

Overall, this proposal represents concerted effort to effect positive change in the physical environment of Roseland Homes. It is our feeling that many of the psychological and social problems of public housing are in great measure a result of the physical conditions. As such, we feel that by improving the following general conditions:

Reducing the density;
Providing neighborhood support facilities;
Providing healthy living conditions, and
Increasing recreational amenities,

will have positive impact on the occupants of Roseland Homes.

Chairman **Gonzalez**. Without objection, what we intend to do, we have some time problems. We have a flight that the staff and I have to catch, so we're going to offer for the record your prepared text and the accompanying documents.

So, Mr. Haywood, we want to thank you very much.

Also want the record to show that Mr. Haywood is a wonderful San Antonian, and as far as I know, you're still a constituent.

Mr. **Haywood**. You're my Congressman.

Chairman **Gonzalez**. So I want to thank the Dallas Housing Authority for having the great sagacity of retaining a very talented architect, and thank you again.

Sergeant Steele, we're going to ask that we present your testimony as prepared for the record, and then if you could in about 5 minutes summarize your testimony verbally here, and then we'll have the members here at the panel direct questions.

But your excellent prepared statement, as you have submitted it to us, will appear in the record at this point.

[The prepared statement of Sergeant Steele follows:]

Lakewest Station

by Herbert A. Steele
October, 1985

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Overview:

The Lakewest area Dallas Housing Authority is a very large (approximately one square mile) area inhabited by a population who quite often have very different ideas about how life in a community should be carried on. One section has a high conscentration of elderly, many areas are abandoned and boarded up and there are about as many hang out places for criminal activity as there are playgrounds for children. The area is a challenge for peace officers attempting to keep the peace and a home of necessity for thousands desperately in need of shelter and safety. The stage is set for a classical urban crime problem. Second and third generation welfare dispair adds fuel to the fire.

I am acquainted with some of the problems because I too was a welfare child, a high school dropout and later a working student. Most of my twenty-two years as a career officer has been in West Dallas. WIth this background information in mind I shall outline the programs intered into by the Lakewest Mini Station.

Establishment of Lakewest Mini Station:

Late in 1983 City government and DHA management established a mini station in the projects in an effort to provide better police service and to secure the area from unusual criminal activity. We opened in January, 1984 with twelve officers.

Patrol Operations:

Situtations: Regular beat officers were on duty and we needed something with a personal touch and capable of handling a large area.

Action taken: The department purchased two golf carts, two saddles horses and three cars.

Results: Good, the golf carts are quiet and friendly conversations are easy. The horses are viewed as non aggressive, effective and delightful to young and old.

Goal: Maximum coverage —— recruit local horseback rides to ride with officers on patrol.

DHA Management Liaison:

Situation: DHA managers are hard pressed to administer limited resources. Their problems are often people problems in which we have a mutual interest.

Action taken: We began a program to contact each manager each day and formed teams to work on mutual problems.

Results: Good, managers and police officers now work hand and glove on mutual problems and share information where there is no danger of exceeding legal or policy restrictions.

Goal: We have reached our goal of very good cooperation and only wish to maintain this standard.

Investigative Liaison:

Situation: Law enforcement agencies of all kinds come in and out of the projects investigating their cases. Many are not familiar with the lay-out or the population.

Action taken: We designated space for visiting officers and advertise our desire to cooperate in pertinent investigations. We act as a clearing house for information going in and out.

Results: Fair, a good number of officers come by and increasingly, confidential information is passed through our officers.

Goal: Increased level of awareness within law enforcement circles and with local citizens needing information or assistance.

Criminal Intelligence Operation:

Situation: Hundreds of persons hide out or operate from the projects in their criminal enterprise. Local characters are active in and out of the projects. Many target the suburbs.

Action taken: Our Intelligence officer examines pertinent police reports and summarizes them on a weekly basis. Open records information is shared with managers. Law enforcement intelligence meetings are attended with the purpose of assisting local officers desiring or needing information.

Results: Good, our Intelligence officer has twenty years experience in the projects and knows most of the active criminals with extensive records.

Goal: Increased participation with suburban agencies and no more than average crime rate within our area.

Transient Problems:

Situation: I estimate that hundreds of transients live or hide in the projects. Some are active criminals and move about often. Many are known to us. Many are dangerous and utilize the public housing with an audacity that even breaks through my crust at times.

Action taken: With the concurrance of DHA management we suggested a "campus style" auto registration utilizing numbered windshield stickers to identify legal residents automobiles. The DHA residents councils organized the residents, the DHA planners wrote the procedures and we researched local college systems.

Results: Fair, after a long period of adjustment and re-adjustment were in full operation. The police are locating more stolen and abandoned vehicles and the DHA staff is better equipped to control parking on unauthorized surfaces such as playgrounds

Goals: Secured parking for residents and control of transioent automobiles as effective as local private apartment areas

Bootlegging and Dope Peddling:

Situation: Many DHA apartments are utilized for bootlegging and drug peddling operations. Often when management takes action the offender simply moves into another apartment with a new "landlord" and continues operations.

Action taken: We maintain liaison with local officers, DHA managers and undercover operations. If the police make a pertinent arrest open record information is made available to management. If management takes civil action against dangerous offenders we testify at proceedings when requested or subpoened.

Results: Good.

Goal: Clear DHA property of this violent industry. An acceptable benchmark would be activity no greater than the Dallas average.

Sunday Market Operations:

Situation: Adjacent to and within a mile of DHA projects several open flea markets operate on weekends. One of the largest is an open Mexican style market where thousands come on Sunday to shop and socialize. There have been law enforcement problems and severe traffic congestion.

Action taken: Two Lakewest officers patrol the markets on Sunday assisting with traffic and keeping the peace.

Results: Good, with the exception of effective traffic control. Opportunities abound to assist the public especially the Spanish speaking population.

Goal: Effective traffic control and public safety equitable to the Dallas average.

Police Athletic League Programs:

Situation: Many young people struggle with all the problems of Urban living plus an inherited negative attitude toward the police.

Action taken: The P.A.L. in cooperation with DHA management operates a horseback riding school near the vast expanse of open land in the Trinity River Bottoms. The students operate on an earned point system achieved in school, at home and at the school. We're resisting the dope culture with the cowboy culture.

Results: Excellent, the magic with the horses works and the kids are wearing out my furniture. Many are forming excellent work habits and some are making realistic plans for college.

Goals: Twenty horses instead of ten. And a hundred students instead of fifty.

Law Enforcement Explorer Post #3532:

Situation: Many local children do not have adequate role models or law enforcement officers to relate closely to.

Action taken: Mr. Fred Hall, a black officer, organized Explorer Post #3532 in cooperation with The Boys Scouts of America. The Post is named in honor of our first black officer killed in the line of duty. He was killed in the projects nine years ago. He was Fred's long time partner.

Results: Good, we have steady growth with attention to a good foundation. Emphasis is placed on responsibility and personal growth.

Goal: We hope to grow larger to include fifty persons, to incorporate our Scout activities with PAL activities where scouts can ride alongside mounted officers and we hope to inspire a respectable number of scouts to choose law enforcement as a career.

Community Involvement Programs:

Situation: Our assignment provides us with ample opportunity to join community programs. We make an attempt to participate where we can maximize our advantage and provide realistic assistance.

---Liaison/Soil Cleanup and Remedial Program—the courts have ordered contaminated soil removed — the project engineer was robbed and his jaw broken employees were chased away — we provide on duty surveillance and assist them with off duty services on request.

--- West Dallas Advisory Committee H.O.P.E. project — assisted in planning and operating a Trade School — open for registration yesterday — October 14, 1985.

--- Liaison/DHA Resident Councils meets with them whenever and wherever they wish to discuss mutual problems.

--- Liaison/West Dallas Community Centers — maintain contact — assist planning local activities — results/excellent.

--- Liaison/Merrillac Social Centers — maintain contact — provide counselling-- assist them in planning activities-- provide police services-- results — good.
— Opportunities are excellent for service to spanish speaking population.

--- Liaison/Bataan Center/Drug Rehabilittion Counselling Program-- cooperate with drug counselor--provide local merchants copies to paint thinner abuse information and state law-- some of the clients are in our PAL Riding Program results/good.

---Liaison/Red Cross Emergency Housing on DHA property-- maintain contact with managers-- counsel and provide personalized police service results good.

—Liaison/Organized Religious Groups— provide police assistance and information— organized a group of religious leaders who desire to cooperate in this ministries to DHA area— results fair.

—Liaison/S.T.E.P. Foundation—(missionaries to elevate people) a large group working with under priviledged people — provide information— police assistance with large operations—they helped us with our PAL program and we were then the receivers of their help.

—Liaison/West Dallas Boys Club and West Dallas Girls Club—counsel—make frequent visits.

—Birdie Jackson Home for Children—assisted in organizing the board of directors-function as chairman and assist in operations and fund raising— our goal is to raise one hundred thousand dollars this year for a fully paid staff. Funds provided by private citizens and foundations

Conclusion/Recommendation:

The questions shouldbe left open. Police service should continue to risk investments into experimental programs with an eye toward improving and coordinating traditional services.

I judge that about eighty percent of the problems are caused by twenty percent of the people. This opens the door of opportunity for vigorous straight forward DHA management designed to improve public safety by insisiting on proper conduct on public housing property. In my opinion the present administration is trying to do just that. Policy makers should insist on that direction.

STATEMENT OF SGT. HERBERT A. STEELE

Mr. **Steele**. Mr. Chairman, I'm not sure about what I can do for you. This is kind of a scary situation for me to get in, come down to a body like this.

Chairman **Gonzalez**. Don't get scared.

Mr. **Steele**. We have a small contingent of officers at Lake West. We call it Lake West Station. They're in the West Dallas Housing Project. We have 12 men and 2 supervisors at this time and we're concentrating in about three areas. One, on traditional crime problems; two, on youth programs and related experimental programs such as that; and three, getting involved with the community in various ways, as you can see in my report.

We felt like this was the best way that we could spend the city's money, and most effective use of our time.

We feel like we've been relatively successful. The people accept us very well, and some of our programs seem to be generating a little excitement around town.

If you have any questions I'd be glad to answer them.

Chairman **Gonzalez**. Thank you very much. We just heard Mr. Haywood testify about the overwhelming number of offenses and offenders being from outside of the premises, so I imagine that the presence of adequate police protection is very significant.

Do you find that to be the case?

Mr. **Steele**. Yes, the problem in West Dallas, it is so large that we have a large group of transients. Now, transients are outside people who come in and hide out in the projects who live there, who either break into abandoned apartments, or move in with somebody and pay them to live there. And I expect that this is a great percentage of our offenses are caused by these people.

Now, some of them are very dangerous people. It's been known by us for years that if you steal a car and want to hide it, go take it to the projects. And if you want to hide out there for a few days, you're on the lamb from Los Angeles, and you're wanted for bank robbery, and you've got a friend in the project, you can hide. Nobody is going to bother you.

Now, the people that I feel are very dangerous terrify the residents, so the residents are very reluctant to say the guy next door is wanted for robbery in Los Angeles.

So this slow-moving terror is a problem that I find—and I've been there for 20 years, a little over—and that's the kind of outside influence that I see.

Now, some of our tenants are active criminals. We know this because we find them involved, and they're very active. Some of them target the suburbs. They operate from within housing authority, and move out, and come back at night.

But I'm not trying to say that our tenants are criminals. That's not so. We have some very fine people, and those good people are the ones that I really feel dedicated to.

Chairman **Gonzalez**. Mr. Bartlett.

Mr. **Bartlett**. Thank you, Mr. Chairman.

I have a fair number of questions for all three witnesses, but since I've made a career of asking the three of you questions, I think you've answered a lot of them through the years.

First of all, let me commend Mr. Farrell for both his testimony, and I think, for one of the most enlightened and productive operations that's ever hit the city of Dallas in the STEP Foundation. It is of enormous benefit obviously from your testimony to the residents of public housing. But, in my judgment from knowing a lot of your volunteers, many of whom live in my district, and many of whom live in this area, that it's also of enormous benefit as human beings to the people who are supposedly doing the helping, that is, to say, your parishioners, because it's a two-way street, and I think it's the kind of thing that helps everybody.

I will say that in some of the suggestions that you've made, as you know, have been incorporated into the housing law. You and Beulah Crawford sitting out here were the two people who independently came to me and suggested the phase in of rent.

We have, the subcommittee agreed to it with the chairman's support, we have put into the housing bill for this next year if we can ever get this speaker of the Rules Committee to schedule it for a floor vote, and for floor action we put in a 6 month phase in of rent. So if a resident gets a job, they have 6 months to have their rent phased in as opposed to that sudden stop.

And we have some other things in there that I think will be helpful. There's no one single answer, or no one panacea, but it seems to me that if we could begin with some common sense to look at issues from the viewpoint of the residents, then both the taxpayers will be better off, as will the people who live here.

Let me ask you a question in terms of your—from your experience in working with residents of Dallas Housing Authority, in your judgment do those residents—two things, one on section 8, and one on homeownership.

First, of the home-buying age, do those residents typically want to buy a home, and would like to own their own home at some point in their life?

Mr. Farrell. I think we know a great many who do. I can't say that typically they do. I think a lot of people like to live in the project, and do not want to move out.

On the other hand, there are a great many who do, and I think some who fear for the crime situation; some who fear for the pregnancy situation. They want to get their girls out of here. They want to move and get going.

Some of the families that we've worked for, or with, this is very true. Absolutely. We tried everything. We tried to buy, or get—receive gifts of homes to move on a lot. We have tried to find apartments. We've tried section 8.

Incidentally, one thing I didn't mention. I'm opposed to the Dallas Housing Authority's stand on not allowing people who live in housing projects to move into section 8 without living out for 3 months. I don't care what it costs, I think they ought to have the right if they want to to move to a section 8 apartment without spending months in a tent somewhere.

Mr. Bartlett. You've already answered my next question. Of course, I knew the question and the answer before I asked you, so I thank you. Perhaps we'll be successful at that one day. I agree with you.

Again, just in terms of the freedom of choice of people who ought to be allowed to live where they want to live.

Mr. **Farrell**. But you've got to find a house in the $20,000 to $25,000 neighborhood for these people to move up and buy that house, even with low mortgage rents, and special provisions, and there are none of those in areas where they would want to live that's any better than where they live now.

Mr. **Bartlett**. Mr. Haywood, I wonder if you would disclose for us what were some of the most—you worked for HUD during the entirety of the renovation of Roseland Homes, and you dealt with all of the issues that I did too, the arguments over whether we should be allowed to have secure doorknobs, and deadbolt locks, and screens, and such as that.

Tell us, what changes would you make in the process if you could make changes in terms of making those architectural kinds of decisions. To put it another way, give us some anecdotal evidence of what—what were the most startling or the most destructive regulatory decisions that HUD made, or perhaps many of whom that are in Federal law, that you would have made the decision differently whether it took you a long time to overcome.

Mr. **Haywood**. That's a very good question. On the way to lunch I was walking with Irving Statman and Jack Herrington, Executive Director and the former Director of HUD. I'm going to give you a scenario.

We're developing 208 apartments in San Antonio. The development cost for the apartments, total development cost is approximately $29 a square foot. That's land cost fees and everything.

The apartment cost is about $24.77 a square foot, and that's in 1985.

A similar HUD project would cost about $35 to $30 total development cost, the point being that we have a computer program where we do billing cost analyses, and as a fact in their private government, Federal, and State, and for each one of those apartments, for each one of those, there's a 10-cent cost factor.

Now, what I'm saying to you is that it costs more and you get less to build under HUD regulation because of the foolish redtape, the bureaucrats who sit, and there are some very good bureaucrats who really understand what goes on out in private industry, and when they review plans they know what they're looking at, and there are others who sit there sitting on top of things not really understanding, and time is money. It takes too long to get a decision. And when you get them they're often contrary, and you've been second guessed.

I think that some kind of way you have got to get the cost for construction more in line with what happens in the private sector. You've got to get the procedure more in line with the way it's done.

There are some administrators who think that if you hire a cut rate architect, and like you buy a dime store item, that you save on architectural fees, or the engineering fees, you're going to get an expensive project. Invariably when you get a partial set of plans, the contractor guesses about what the building is going to cost.

The point being is that the way you get low costs is you have prepared documents; you pay your consultants an adequate fee so they can spend the time and research to monitor and to do the necessary investigation to control the cost.

Mr. **Bartlett**. So you're suggesting that the redtape adds some 20 percent to the Federal level, or more?

Mr. **Haywood**. I would think that in the case of housing there is little or no course to——

Mr. **Bartlett**. If we could deregulate and return the decisions back to the local government then, could you see renovating 20 percent more units for the same amount of money? Is it in that quantity that we're to see?

Mr. **Haywood**. Not only that. Absolutely not only could you save that amount of money on the construction cost, but this fee that you pay for FHA monitoring, and you're aware of the fact that you pay them a fee to monitor your contract, which adds to the cost of the building. So you're paying to be second guessed.

Mr. **Bartlett**. How much—percentagewise, if you're rehabilitating a project such as Roseland, how much does the use of, or the application of Davis-Bacon add to the cost in your judgment?

Mr. **Haywood**. Labor is normally about 50 percent of a project. It varies from 40 to 50 percent labor, 50 percent materials. So if your labor goes up 25 percent, then obviously 50 percent of your project is going up 50 percent.

But that's theoretically. Good organized labor forces save you money because time is money. Do you understand what I'm saying?

Mr. **Bartlett**. Sure.

Mr. **Haywood**. If you're paying interest on money, and you have a guy out there working for less money who is taking more time, and the quality of construction, so there's a lot to be said, you know what I mean? Time—the bottom line is what kind of cost can you get, and you get that at the competitive level.

Mr. **Bartlett**. It's not an exact arithmetic——rehabilitation, is the cost differential more pronounced; that is, is it harder, or less hard to get union scale labor in rehab work?

Mr. **Haywood**. I think when you say union scale, sometimes when the union scale is so far above the prevailing wage, and once you obviously take a look at that, you know what I mean?

Mr. **Bartlett**. One other question, and that is what in your judgment what is it that keeps contractors from hiring the residents of public housing, and what could we do differently at the Federal level to cause renovation of public housing to serve two needs, first to renovate it, and second, to provide both jobs and job training for the residents?

Mr. **Haywood**. I would like to suggest a methodology to you that you are not using, and it could embody—rather than looking at general contracts for all of the work, that you take a serious look at using the construction management form of contract letting. By that I mean rather than let one general contract, you break the contract down into bid documents, components, maybe 13, 14 different units. Maybe site preparation, concrete, millwork, steel, masonry, and we are using construction management in our construction.

By doing that you're working with smaller units. I believe my thrust would be to develop very successful minority businesses, and when you break the contract down into that, then the minority can hire minority, and you have a training program. I don't think many people want to take their business and turn it into a social institution.

Mr. BARTLETT. But it could be done.

Mr. HAYWOOD. It could be done, but it has to be done whether it's profitable to the developer, and the person working is going to make a decent wage, you know, just like——

Chairman GONZALEZ. May I suggest that any other questions we submit it in writing.

We do reserve the option to submit questions in writing to the panelists. You will have a copy of the transcript of the proceedings, and if we have any questions to submit either by those present, or some of the absent members of the committee, you'll receive them in ample time to address the correction of the transcript, and the like.

Mr. Bryant?

Mr. BRYANT. Thank you, Mr. Chairman.

I'd like to ask Mr. Farrell a question. I've had the chance here to read your testimony, and at the end of the testimony you—well, fourth to the last paragraph said that as long—you said our point is this: As long as our well-meaning system is structured to cut the legs out from anybody that wants to work and better themselves, things won't get any better—to paraphrase you. Any system which destroys people's dignity by making it impossible to work, and so forth, has got to be wrong and unfair.

And I read up above that the anecdotal—one of the anecdotes you told is about people who are trying to get out of the cycle of poverty and get a job, go to college, and the difficulty they had doing it.

I assume the point you were making was you get trapped by the income guidelines, causes them to take——

Mr. FARRELL. They can't make enough outside to replace what they've got inside. In spite of that, the amazing thing is the number of people in this project, and others, who do work. And they do that because of their own pride, not because they can do a heck of a lot better, and by the time they ride the bus to work for an hour and a half and come back, and spend the kind of a day they do, and they do it really for no great—now, some of them, of course, don't have young children, and aren't AFDC, and so on.

Mr. BRYANT. Well, what I was going to ask specifically—I know that you're not in the business of recreating the whole system, but what kinds of changes should be made?

Mr. FARRELL. Well, I think one change that ought to be made is that when you have a husband—or when you have a man and a woman who have an opportunity to marry and live in a project, and raise their children, that when you use both of their incomes as a guideline to the rent that they will pay, you're being really unfair to the family system.

And you really ought to use the one who makes the most and not use the other one, or use the one who makes the most and only a small percentage of the other one.

What we've got now, we don't have any men in the projects according to the rolls. Now, that's an overstatement. But the men are here. They're living here anyway. They're just not reporting their income.

I really think that if we would go back to a—or go to a system where we reported the top earner's income, and a percentage, but a small percentage of the second earner, we'd start having some real marriages down here.

Mr. **Bryant**. Let me ask you a question about that.

How much do you think those two were making together? Your example was someone named John and——

Mr. **Farrell**. Somewhere in the neighborhood of $25,000.

Mr. **Bryant**. Well, now, at that level of income——

Mr. **Farrell**. Why don't they move out?

Mr. **Bryant**. That would be the followup question.

Mr. **Farrell**. Well, in the first place they don't report that level of income to get their rent, so they're living on a rent system that's based on a $10,000 income. So they're paying about $300 a month, or somewhere in that area. They really can't rent a place for any cheaper than that.

Mr. **Bryant**. For any cheaper than what?

Mr. **Farrell**. Than the $300 a month that they pay here by not reporting his income.

Mr. **Bryant**. The point—the question I'm asking you is when I got out of law school I made about $12,000 a year some time ago, considerably less than that, and it never occurred to me to go to public housing, and I'm just curious as to what a $25,000—is that not enough to go find——

Mr. **Farrell**. Oh, yes, sure it is.

Mr. **Bryant** [continuing]. Public housing?

Mr. **Farrell**. But they can't find rent elsewhere that costs as little as this rent costs. Let's move it down to $20,000, if you're more comfortable with that.

This particular person works at DFW as a baggage handler and makes pretty good money for one of the large airlines. She works and cleans up at the Holiday Inn. I would guess that their income is in the $20,000 to $22,000 neighborhood, but they only report $10,000 of it.

Mr. **Bryant**. I understand that. But I'm saying if they have—in terms of how Government policy—if they're pocketing $25,000 a year——

Mr. **Farrell**. Why do they live here?

Mr. **Bryant**. Why are they not in the private housing market?

Mr. **Farrell**. The main reason that they live here is because they grew up in the project, she grew up in the project, her mother still lives in the project, and it just becomes a situation where they stay.

Mr. **Bryant**. And there's no place to live.

Mr. **Farrell**. They could go—might go to an apartment if they would be accepted.

Mr. **Bryant**. Well, I think your example, in my experience, may be a little generous. I was going to weigh in on the side of the resident there, assuming your example would be considerably below that.

Take somebody who is making $12,000 a year with a bunch of kids, and two or three kids in the house, and so forth, they don't have any place else to go.

Mr. **Farrell**. That's right.

Mr. **Bryant**. And I understand that.

Mr. **Farrell**. I agree with that.

Mr. **Bryant**. But the point I was going to make after reading your testimony was that in the beginning when—with regard to every single Government program, all of which began really 50 years ago—the embryonic stages—there would be critics waiting who didn't want the programs in the first place, standing by anxious to nitpick every single error made by the program. And obviously in these programs there're going to be errors, problems; the people that don't deserve help are occasionally going to get help, and that's the price you pay for giving it to all the people who do deserve help, and it's just the way that—human beings can't run the system perfectly.

And so the Reader's Digest is always full of stories about all these outrages that you find in every program some place. And I expect—I would just point out that in the case of fictional character, John, or I guess it's a fictional name anyway, well, they stand for real characters, but what I'm saying is—you do use a fictional name—in their case if we change the rules there to take care of their problem, what you would get right away from the other side is a big complaint. Look, here these folks are. They don't deserve it and they're getting it. A story in the newspaper. A story in Reader's Digest, and that would be held up as the typical situation and then that would be used and debated as a reason why we shouldn't help anybody.

I'm only pointing that out to you as my observation. I think it's—that's what we're stuck with. That's the situation.

Mr. **Farrell**. I understand that. I think, Representative Bryant, I think the one thing that I'm really saying is that basically the system as we now have it, and I'm talking about the housing authority as well as the welfare system because it's one big thing to these people.

The system as we now have it is going to destroy the family among our lower income people, and it already has.

Mr. **Bryant**. I agree.

Well, since that's the case, and I agree with you——

Mr. **Farrell**. Then why don't we make it legal for them to rent here at a lower fee if two of them work. If we do that then we've solved the problem, and plus the fact that a lot more of them will move out because they'll get married, and they'll have a family, and they'll want to move them out.

Mr. **Bryant**. I think you're exactly right. The decision has to be, though, do we make it a budget priority of the Federal Government, and of the local government, to provide public housing, or do we not?

Mr. **Farrell**. Well, I'm for public housing. Don't get me wrong. I certainly am. But I am also for people being able to move out of public housing if they choose to, and if they can earn the money to do this.

And this is what we're trying to do too, incidentally.

Mr. **Bryant**. I agree. Thank you.

Chairman **Gonzalez**. Thank you very much, gentlemen.

Mr. **Bartlett**. Mr. Chairman, before you dismiss the panel, I wonder if I could ask one question of Sergeant. Steele in about 60 seconds. I know we're—

Chairman **Gonzalez**. Well, we'll make it 60 seconds.

Mr. **Bartlett**. Sergeant, I'm quite impressed both by your testimony by what you've done at the Dallas Police Department, and the security at West Dallas.

Tell us, though, what reception you received from the tenants in West Dallas; that is, have you been welcomed with open arms? Have you made it a better place to live in West Dallas? Do tenants, in essence, not only invite you in but insist that you set up some security authorizations? What kind of reception have you received?

Mr. **Steele**. I feel like I'm at home out there about half the time. I get along with the kids real good, and I feel perfectly at ease.

Mr. **Bartlett**. Thank you. Thank you, Mr. Chairman.

Chairman **Gonzalez**. Thank you very much. [Applause.]

Our next panel: Father Jerry Hill, the codirector of the Episcopal-Presbyterian Shelters, Inc.; Mr. David Park Smith, member of the board of directors of National Coalition for the Homeless; Rev. Tray Hammond, chairperson of Housing Committee, Greater Dallas Community of Churches.

We're going to recognize Rev. Tray Hammond, chairperson of the Housing Committee of Greater Dallas Community of Churches first, and then Mr. Smith, if there's no objection, Father Hill; they have to leave and they've been waiting patiently here.

So we'll recognize you. I'm going to suggest that you submit your formal prepared text for the record, and then, if you could, in no more than, say, 5 minutes, summarize your testimony. It will be very helpful. And it will also expedite your ability to leave in time.

STATEMENT OF REV. TRAY HAMMOND, CHAIRPERSON, HOUSING COMMITTEE OF GREATER DALLAS COMMUNITY OF CHURCHES

Mr. **Hammond**. Thank you, Representative Gonzalez, Representative Bryant, and Mr. Bartlett, and also, John, thank you for getting us up so we can make a testimony.

As the chairman of the Housing Committee of the Greater Dallas Community of Churches, and representing that body which is the largest ecumenical effort in the city, the church is really becoming a very important, I think, instrument as a growing participant in the area of housing. I think that's for three reasons: Because of the shift in responsibility for social issues that's been initiated by certain Federal reforms over the last few years and a growing interest in the grassroots organizations.

Second, because a lack of affordable housing is a social ill that is just not viable in a city of the affluence of Dallas.

Third, because the human face of the housing shortage is homeless people who are vulnerable and who really become hurt by the system.

So as we look at the issue of public housing we're really raising the larger issue of homelessness, and as many of the residents have indicated, the problem of getting out of public housing is where to go, that there's a difficulty of finding decent, affordable housing in the city of Dallas.

The private sector in Dallas, and particularly the church community and other nonprofits, have taken a number of initiatives to address the issue of homelessness. In the area of temporary housing Father Hill on my left, with the Austin Street Shelter, the Presbyterian-Episcopalian nonprofit corporation that works with downtown homeless, and other organizations like the Salvation Army, and the Dallas Life Foundation, provide shelter for maybe 1,000 of the maybe 3,000 street persons that are in this city, potentially can house 1,000 people.

In the area of transitional housing, getting people short term so they can get back into the housing market, there may be among 4 different church groups, First Presbyterian Church's Step Up Program, and the Presbyterian Housing Coalition's new program of Second Step and Restart, may be 30 units of transitional housing.

In the permanent housing field we have maybe one really organization, or two, that's doing really rehab of significant numbers of housing, and that's Common Ground, John Fullinwider's testimony earlier.

But the systemic problem is the issue—is the problem of affordable housing, and the lack thereof, particularly in low-income communities. Because of the problems of regentrafication, condemnation of older units, and the pressure on communities to change, we're seeing units taken out of the housing market every year, and that's a tremendous problem where there's no new housing being built that can accommodate low-income people.

The second question, of course, then is affordability. If you use the standards set up by the Housing and Community Development Act of 1981 that set 30 percent as a ratio of rent and income, that's almost a laughing matter for poor or low-income families. Over half of the people in this country in the low income brackets pay over half of their income for housing, which makes them extremely vulnerable then to any sort of disruption in jobs, or health, or any other significant problem in their family. They very easily become a part of the homeless picture who were once in housing.

The extent of the homeless' problem cannot be addressed by the Government or private enterprise alone, so what I think we in the church community would urge from the Federal Government at this point is certain programs that are aimed and focused at the local level for providing funds for housing, in particular, continuation of the Community Development Block Grant Program. That is really a significant way of impacting housing and other issues on a local basis using Federal dollars. And many of the housing programs in this city have been reliant upon the CDBG money over the last few years.

Second, would be continued fiscal support for programs like the Emergency Food and Shelter National Board Program which is a very significant program in trying to address the problem of homelessness across the country. And also to continue the initiative in Congress for several bills, including one by yourself, Mr. Gonzalez, that looks at housing issues.

We really believe that it will be a partnership between the private sector and the public sector to begin to address the problem of housing, and we in the church community at the grassroots hope to be a willing part in those efforts.

Thank you.

Chairman GONZALEZ. Thank you very much. We deeply appreciate that.

Mr. Smith.

STATEMENT OF DAVID PARK SMITH, MEMBER, BOARD OF DIRECTORS, NATIONAL COALITION FOR THE HOMELESS

Mr. SMITH. Thank you.

Mr. Chairman, I appreciate you all being here, and also the staff of the subcommittee, for holding the hearings here.

I think this may have come up earlier this morning, but I'd like to say one thing at the outset, and that is in a sense it may be ironic that we're here in Dallas having these hearings because the public image of Dallas, particularly outside of this area, is something very different than what we're hearing about today, specifically.

Let me also say at the outset that a lot of my comments will be personal because my focus has been very micro. I'm involved with small groups that try to do very small grassroots programming for homeless people. So that's generally going to be my focus.

I think in Dallas we've had a difficulty of public consciousness about homelessness even being a problem. I think it's only just now, and by just now, I guess Father Hill might agree with me, over the last year or two we've begun to get a sense that the city, both the public sector and a larger dimension of the private sector, is even aware of, and interested in the issue of homelessness.

So we're kind of coming out of a dark cave, and in that sense some of what we may say about Dallas will be things that are old hat elsewhere, but here these are new emerging concepts.

So I wanted to say that at the outset because some of what we say, particularly from my perspective serving on the Board of the National Coalition for the Homeless, tends sometime in my opinion to sound a little bit backward. But we're just now beginning to deal with some of these issues, and that's why we're particularly appreciative of you all holding these hearings here.

Let me say something real briefly. My role principally here is representing the National Coalition for the Homeless out of New York; served on also the Board of Directors of the Greater Dallas Community of Churches where I work with Reverend Hammond. I worked with Father Hill, and several nonprofit groups, and have been a member and an officer of a church that's done outreach programming for 10, 12 years in downtown Dallas with street people.

I'm not saying that to say anything about myself at all. I'm saying that to indicate that there is a nucleus of people on each one of those points of contact that I've had with these issues that's ready, willing, and committed to do work, and has been, in fact, doing work with homeless people in Dallas, and we still have a problem.

I say that to point out the fact that this is not strictly something that can be resolved by the private sector rolling up his sleeves and doing the kind of work that we've heard encouraged from the present demonstration in Washington. The problem is much, much greater than what any of us can do, or have been able to do with 10 years of hard work. There's a great deal more at stake here.

Let's define some terms. What is homelessness? That's subject to some debate, and I guess I would paraphrase our Supreme Court opinion regarding pornography. To paraphrase, I'm not sure I could define it, but I know it when I see it. I think what we're talking about is some semantic concerns that may or may not be ultimately significant.

We've obviously got problems of people who are living on the street who literally do not have a place to sleep at night. Obviously that's homelessness.

Representative Bryant attended a hearing we held in July at the Austin Street Shelter where we heard some very interesting testimony from people who come from that segment of the homeless population.

We also though experience relationships with people who are just as homeless who may go through a cycle of living in charity shelters. They may not be sleeping under a viaduct tonight, they may be sleeping in a shelter, but they're on a concrete floor, and they don't know where they're going to sleep tomorrow night, but they'll find some place. They go from shelter to shelter.

There are also homeless people who live in cheap flophouse motel rooms where they're spending 80, 90 percent of their disposable income, that is, that implies that they are working, and many are, to provide housing for their families.

Now, are they homeless? I think the logical definition of that term must include people who are literally having to make the decision whether to stay in a warm dry place tonight or eat.

Also, I think we've heard some interesting testimony today about people who are doubling up, tripling up, whatever, in low-income housing units. Are they homeless people? It depends on how you want to define the term. In our opinion, people who do not have the ability to predict day-to-day where they're going to be living are people who have no homes, and hence, are homeless.

So we've got a broad range of issues we're dealing with, and that implies a great many difficulties in programming for those people.

My focus has been principally with the lowest of the low in that series of strata, people who are on the streets with no place to go.

What do we do for those people? There are shelters available. We've talked about that. Reverend Hammond mentioned roughly 1,000 beds available in Dallas. We have estimates in terms of numbers of anywhere from 2.5—2,500 people to 3,000 up, who are living on the streets. So obviously if we have 1,000 beds we don't have enough space for people who are living on the streets.

The best estimate that I've ever observed in head counting of homeless, which is obviously a difficult matter, counting heads of those who have no place to live, was about 4,100 people several years ago, a head—a literal head count done by the Salvation Army.

My personal feeling is we have at least 3,000 people who need shelter space and don't have it.

I've had some experience with a soup kitchen through a church project that Father Hill was instrumental in starting that fed 2 to 300 street people a day every day for 10 years. The numbers are not diminishing. The numbers are staying the same or growing. So this is not a phenomenon that's even directly tied to the economic recession that we have allegedly emerged from. I think for the kind of people we're talking about, economic conditions of the economy at large are not particularly significant. Their numbers are still with us.

It's been estimated recently that there may be 13,000 to 15,000 people who are homeless in Dallas County. Those are fairly reliable numbers based on some extrapolations from head counts of street people, soup kitchen attendants, demands made on referral networks, and so forth.

So what do we do about it? Well, the National Coalition for the Homeless has been involved in advocacy for homeless people in a variety of circumstances, but one thing we know we need is expanded shelter facilities.

Now, we've so far dealt with that issue in Dallas principally from the nonprofit sector. In some cases, as in the Episcopal-Presbyterian Shelter, we have a mixture of public and private interest. The city has made available the physical space, and the programming, and the management of the administration has been conducted by the private in this case church sector.

I think we need to target two populations in this group of homeless people we've defined with unique or critical profiles. I'm talking about people who have chronic mental illness as a part of their profiles. There is simply an utter inadequacy of housing and shelter facilities available for people who are dischargees from mental institutions. We're very close to the Terrell State Hospital here, and we have a revolving door relationship with dozens of people who come through that system in our involuntary commitment process in this State. It's unfortunate.

We need to impact on families with small children living on the streets. The legacy of life in a homeless state for children is something that assures us of another generation of the same problem, and we need to impact that kind of problem.

Those who are ill or elderly, or who are chronic substance abusers, all have unique profiles that would lend themselves in my opinion to residential type intervention as opposed to them simply being on the streets at loose ends.

We also need to try to prevent homelessness, and what do I mean by prevent homelessness? Where we're dealing with circumstances that we've had this discussed earlier this afternoon where for want of proper allocation of income, someone is evicted from public housing and winds up with literally nowhere to go, I think that's a problem that can be addressed by a revolving loan fund, or some other mixture of public and private interest that could intervene in an emergency basis and provide that bridge money, or even the separating of the income allocation that we've heard Representative Bartlett discuss would be helpful.

Transitional housing as Reverend Hammond mentioned is particularly needed at this time. People who are capable of self-support but who cannot get off of the merry-go-round of large portions, disproportionate amounts of their net income going to provide raw shelter, it's very difficult to remove people from that cycle.

We also need to simply preserve and expand, if possible, the stock of low income housing. Others have spoken much more eloquently on that issue this morning. The basic problem that the groups I work with experience is the emergence of a new stratem of homeless people, those who have been self-supportive in the past, those who have held jobs, or may, in fact, today hold jobs, but who simply cannot provide for the kind of housing that is available in Dallas, and cannot otherwise either qualify for, or gain admission to public housing. Those are people caught in a trap that has nothing to do with failures of will, or poor judgment, or any of those things that I think historically we've ascribed to homeless people. These are folks who want to make a go of it and have the capacity to, but can't get off the merry-go-round of so much of their money going out, and they can't build up the $600, $800, $900 it takes to get an apartment.

That's where the issue of public housing becomes critical, and as I suggested, mv background is not such that I can make specific recommendations to this body about how to deal with that issue. The public housing is an absolutely crucial element in this total picture.

And, again, we appreciate your conducting the hearings here, and we hope that this is informative and useful information for the subcommittee.

Chairman **Gonzalez**. Thank you very much, Mr. Smith.

[The prepared paper titled "Mayor's Special Committee on the Homeless" furnished by Mr. Smith follows:]

Memorandum

CITY OF DALLAS

DATE August 8, 1986

TO Honorable Mayor
and Members of the City Council

SUBJECT Mayor's Special Committee on the Homeless

The Committee expresses its appreciation for the opportunity to serve the Council and the citizens of Dallas. Attached, for your review and consideration is the Committee's report on its findings and recommendations for short-term solutions to the growing numbers of the homeless in the City.

Mission:

"The purpose of this Special Committee is to identify and review ways and possible resources for addressing the problems of the homeless individuals within the City of Dallas. The Special Committee will be concerned with short-term shelter needs and programs addressing the multiple health and human services needs of homeless individuals and will examine appropriate roles for the City of Dallas and other public and private agencies."

Areas that are most in need, but lacking sufficient funding to ameliorate the problems of the homeless are:

- HEALTH CARE
- HOUSING
- JOB TRAINING

While the Committee was commissioned to recommend short-term solutions to the problems of the homeless, the Committee recognizes the need for a review for more long-range solutions, a review that must be conducted from a metroplex point of view. The City of Dallas should accept an advocacy role to ensure that a more metroplex dialogue ensues with long-range solutions as its goal. To meet the health, social services, educational, employment, housing, transportation, and law enforcement needs of the homeless will require organized attention from the multiple parties involved and affected.

Memorandum

CITY OF DALLAS

DATE August 8, 1985

TO Honorable Mayor
and Members of the City Council

SUBJECT Mayor's Special Committee on the Homeless

Page 2

Speaking of the homeless, particularly the children, Elizabeth Reveal, Budget Director for the City of Washington, D.C. stated:

"...You can't be educated if you are not healthy, if you are mentally ill, if you're retarded, if you have physical disabilities, if you've had poor nutrition, if you don't have a job -- you simply will not have a sound country. And that, after all, is what national security should be all about."

In a May 5, 1985 speech, City Manager Charles Anderson said:

"...I see a city that has the capacity to care for those in need and in their sometime quest for decent housing, adequate medical care and food...It's estimated that there are over 13,000 homeless in the city,...Approximately 3,000 of those people are what we call street people living in our Central Business District..."

The following pages list several budget considerations for the fiscal year 1985-1986 in addition to the recommendation for a temporary shelter to be added to this fall's Bond Election.

On behalf of the Mayor's Special Committee for the Homeless,

Annette Strauss

Annette Strauss, Mayor Pro Tem
Coordinator

Harry R. Tanner

Harry Tanner
Chairman

FINAL REPORT
and
RECOMMENDATIONS
# of the
MAYOR'S SPECIAL COMMITTEE on the HOMELESS

AUGUST 1985

MAYOR'S SPECIAL COMMITTEE ON THE HOMELESS

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Mayor Pro Tem
City of Dallas

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City of Dallas
Mayor's Special Committee for the Homeless

Summary of Recommendations

The role of City government in delivering services to homeless people should involve:

- providing space and facilities, for instance, in constructing a temporary emergency shelter as recommended, from which a substantial amount of services would be provided by private agencies;
- providing staff to fill identified gaps in existing health care and social work efforts;
- serving as a financial resource to start-up new initiatives such as the Dallas Emergency Housing Fund, the use of HUD-foreclosed properties and apartments for transitional housing, and the development of housing units for mentally ill, deinstitutionalized individuals
- taking a leading role in coordinating services, for example by helping to establish an intergovernmental/community standing commission for the homeless as an ongoing body.

Recommendation	City of Dallas Budget Request
1985 CAPITAL IMPROVEMENTS PROGRAM:	
1. Finance the construction of a shelter to serve Dallas' homeless population in the 1985 Capital Improvements Bond Program. (Narrative p. 5; Detailed Budget, p. 16)	$2,055,000 (Capital Bond Financing)
1985-86 CITY OF DALLAS BUDGET:	
2. Deliver primary physical and mental health services to homeless people through the creation of a health care team based in a shelter. (Narrative, pgs. 6-7; Detailed Budget, pgs. 16 - 19)	$239,000

3.	Conduct outreach and advocacy efforts at shelters and missions to help homeless families and individuals obtain public benefits for which they are eligible. (Narrative, p. 7)	No Budget
4.	Improve security and police protection for homeless people in the downtown area, establishing regular communication between Central Division police and shelter providers. (Narrative, p. 7)	No Budget
5.	Facilitate on-site employment counseling and job referral services at the shelters where the homeless congregate. (Narrative, p. 8)	No Budget
6.	Provide for clothing, telephone access, and other personal and employment-related needs at existing shelters and missions. (Narrative, p. 8)	No Budget
7.	Contribute to existing private agencies which now provide short-term financial assistance to help individuals and families retain or re-establish a permanent residence. (Narrative, pgs. 8-9; Detailed Budget, p. 19)	$100,000
8.	Prohibit evictions/set-outs during sub-freezing weather. (Narrative, p. 9)	No Budget
9.	Revise the Master Emergency Operations Plan to include additional public awareness efforts concerning shelters and services during severe weather, and provide training for the City Recreational directors. (Narrative, p. 9)	No Budget
10.	Expand the working with existing providers, network of hotel/motel rooms available to accommodate homeless families to 100 rooms. (Narrative, p. 10)	No Budget
11.	Develop a network of 100 housing units in existing apartment complexes for use as transitional housing. (Narrative, p. 10; Detailed Budget, p. 20)	$483,000
12.	Utilize 10 houses from the HUD "special risk" --repossessed--inventory for use as transitional family housing. (Narrative, p. 10; Detailed Budget, p. 20)	$ 52,000
13.	Recommend to Dallas Housing Authority that they consider "emergency priority" status for admission to subsidized housing be granted to homeless individuals and families. (Narrative, p. 11)	No Budget

14. Participate in the development of 100 housing units to serve as supportive residences for mentally ill, de-institutionalized people, with 18 units initially developed in fiscal 85-86 with these units administered by Dallas County Mental Health and Mental Retardation. (Narrative, p. 11; Detailed Budget, p. 21)	$124,000*
15. Take the leading role in initiating the Greater Dallas Commission for the Homeless including representatives from business, government, churches, social service and community organizations, and shelter providers. (Narrative, p. 12; Detailed Budget, p. 21)	$20,000
16. Monitor the use of federal and state funds for programs related to homelessness to maximize their effective use in Dallas. (Narrative, p. 12)	No Budget
TOTAL 1985-86 CITY OF DALLAS BUDGET REQUEST	$1,018,000

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* Budget amount reflects initial start-up costs. Historically, seventy percent (70%) of costs for this type of program are recovered. (See Detailed Budget, p. 22)

City of Dallas
Mayor's Special Committee for the Homeless

Report to the Dallas City Council

I. Introduction

Policies and programs to address the problems facing homeless individuals and families in Dallas must recognize:

- the causes of homelessness;
- the variety of situations and capabilities among homeless people;
- the range of unmet human needs beyond shelter, from health care to employment, suffered by the homeless population; and,
- the necessity for coordinating public and private sector initiatives.

The report and recommendations of the Mayor's Special Committee for the Homeless describe the basic elements of a comprehensive approach to the issue of homelessness in Dallas.

II. Causes of Homelessness

Surveys conducted among shelter operators and city officials throughout the United States indicate that the major causes of homelessness in America today are:

- unemployment;
- deinstitutionalization of mentally ill people combined with the lack of community facilities to serve them;
- decreasing inventory of low-income housing units;
- personal trauma and crises;
- cuts in public assistance programs.[1]

A 1984 survey of eight major southwest cities, including Dallas and Houston, found that of these causes two were particularly pronounced in this region: lack of low-income housing and unemployment.[2]

The housing and employment problems of the City's poorest residences are not readily solved by even the generally healthy economy of the Dallas-Fort Worth area. Just as the number of homeless Americans has increased despite the national economic recovery,[3] the crisis in low-income housing and the problem of homelessness have grown in the shadow of the booming local economy.

III. People Without Homes

> "The high proportion of severely disabled homeless men and women is admittedly a salient feature of the skid row scene today, but at the same time, it appears that at no time since the Depression has the homeless population represented so wide a cross-section of American society as it does today."[4]
>
> "Increasingly, the problem of homelessness is affecting people and families who are in most respects like other poor people, except that they cannot find or afford housing."[5]

The major causes of homelessness noted above are resulting not only in an increasing number of people on the streets, but also in an increasing variety of people who find themselves without homes. A 1984 report of the U.S. Department of Housing and Urban Development concluded that the homeless fall into three basic categories, with an undetermined amount of overlap among them:

-- People with chronic disabilities, including mentally ill and alcoholic individuals and drug abusers.

-- People who have experienced severe personal crises, including victims of domestic violence, runaways, persons recently released from prison, and transient persons without resources.

-- People who have suffered from extreme adverse economic conditions, including unemployed, displaced, evicted, and foreclosed individuals and families.[6]

National estimates of the number of homeless people range from roughly 500,000 to 3 million Americans.[7] This wide range suggests the difficulty of arriving at the actual number of homeless people with any precision.

The number of homeless downtown street people in Dallas is generally estimated to be about 3,500. The actual count of 4,100 different individuals, done during a single month in 1983 by the Stewpot and the Salvation Army, is probably the most accurate baseline figure for the size of this population.[8]

The number of homeless people in the City over the course of a year, however, appears to be much higher. Starting with a base figure of 3,000 and using a profile of homeless types developed from interviews at the Salvation Army Sit-Up Shelter in 1983, City staff members estimate that 13,950 homeless people can be expected in Dallas annually.[9] One major shelter provider, the Salvation Army, reported serving 15,058 "transients" in Dallas during 1982 alone--including 11,003 men, 2,238 women, and 1,817 children in 1,304 families (there is unknown level of duplication in these figures).[10]

These figures in all likelihood understate the dimensions of the problem, based as they are on counts and estimates of homeless people in the Central Business District area. There is at least anecdotal evidence that homeless people live in various parts of Dallas; and there is no accurate count of the homeless living in cars, near lakes, under bridges, or "doubled-up" with neighbors or relatives. To consider just one subgroup, last year in Dallas there were 7,000 reported runaway youth--an increase of a third from 1983.[11] Whatever the actual number of homeless people in Dallas may be, shelter providers here as throughout the country report increased requests for housing and other assistance.[12]

IV. Health Care Needs Among the Homeless

The unmet health care needs of homeless people in Dallas range from broken bones and wounds to severe mental disorders. The health status of the homeless has been reported by City staff within the past year, based upon surveys performed at the Dallas Alcoholic Center and Brady Center (for physical health needs) and at Parkland Hospital's Emergency Psychiatric Clinic (for mental health problems).

The physical health problems found by surveying 487 individuals at the Dallas Alcoholic Center and at Brady Center between December, 1983 and May, 1984 are summarized in the table below:

Health Problem	% Reporting Condition
Broken bones	34%
Cuts or wounds requiring hospitalization or stitches	17%
Dental, such as extractions or dental surgery	28%
Liver problems	18%
Venereal diseases	14%
Kidney problems, including diabetes	7%
Heart problems	2%
Eye injuries	2%

The Dallas County Department of Health Services estimates that roughly 12% of the homeless population has tuberculosis, more than 10 times the proportion found in the general population.[13] Interviews with health-providers to homeless people in downtown Dallas suggest "high incidences of upper respiratory problems, including colds, emphysemia, bronchitis and pneumonia, infections, skin rashes, bites from insects and rodents, scabies, lice, and nutritional problems.[14]

Approximately 30% of Dallas' homeless population consists of deinstitutionalized mentally ill people.[15] More than 2,000 individuals are released from Terrell State Hospital to the Dallas area each year.[16] The Emergency Psychiatric Clinic at Parkland Hospital estimates that 1,200 different individuals on the streets will use its facility annually.[17]

During the first quarter of 1983, diagnoses of street people at the Emergency Psychiatric Clinic found that 25% of those examined showed evidence of schizophrenia; another 35% showed evidence of alcohol or drug-induced psychoses. About a fourth of those examined had hallucinations, either auditory or visual; a fifth were suicidal, and a tenth engaged in violent threats or behavior.[18]

The characteristics of the 101 cases which formed the basis of the clinic survey should not be taken as descriptive of the homeless population generally. It should be noted, for instance, that homeless people are more likely to be the victims of street violence than its perpetrators.[19] However, when the disposition of these cases is considered, they indicate a lack of services and alternatives available to the homeless mentally ill. The table below summarizes the disposition of these cases:[20]

Disposition	Percent of Cases
Parkland Hospital/Outpatient	9%
Medical Diagnosis Center	6%
Dallas County MH/MR	4%
Terrell State Hospital	4%
Hillside	3%
Brookhaven	3%
Salvation Army	2%
Various Halfway Houses	2%
AA Rehabilitation Unit	1%
Released back to the Streets	66%
Total	100%

The theory behind the deinstitutionalization movement was that the mentally ill could be better and more economically served in community-based facilities than in large state hospitals. These community facilities have been established on an extremely limited basis, however, and an increasing number of mentally ill people end up on the streets. Dallas County Mental Health & Mental Retardation, for example, has less than 30 apartments in its program to provide supportive residences, or a 'semi-independent living situation," for the mentally ill.[21]

V. A Housing Continuum: Coordination of Shelter with Services at Three Levels of Need

The different situations and characterisics of Dallas' homeless population argue for a comprehensive but diversified approach to providing shelter and housing opportunities. The Committee recommends that the City of Dallas participate and take a leading role in creating a housing continuum, in conjunction with private community organizations, that will address the need for shelter and services at three levels:

-- Emergency Shelter for individuals and families, with related security, health, employment, outreach, advocacy, and referral services.

-- Transitional housing for families and individuals, with appropriate counseling and financial support services to enable the household to re-establish a permanent residence.

-- Affordable, Low-income Housing and Long-term Supportive Residences, including the preservation and expansion of the low-income housing inventory and the development of additional supportive residences for the mentally ill.

A. Emergency Shelter with Associated Services

1. The Temporary Emergency Shelter

The Committee's major recommendation in the area of emergency shelter, which was communicated to the City Council in July, 1985, is to construct a shelter utilizing general obligation bond financing.

Recommendation 1: Finance the construction of a shelter to serve Dallas' homeless population in the 1985 Capital Improvements Bond Program.

Two major shelters in the Central Business District will be phased out over the next several years. The Salvation Army Center is moving to a larger facility at the intersection of Harry Hines Blvd. and Inwood Rd.; The Shelter, Inc. on Austin St. is being operated from warehouse space scheduled to be redeveloped as part of the convention center expansion within three years. The recommended shelter, with space for five hundred people, should eventually house a variety of health, employment, and related services recommended by the Committee. At a minimum, the new shelter will replace the spaces now provided at The Shelter, Inc. on Austin, St.

2. Health Care and Related Services

Recommendation 2: Complete the implementation of a program to deliver primary physical and mental services to homeless people living in downtown areas through the creation of a health care team.

With grant support from the Robert Wood Johnson Foundation and Pew Memorial Trust, over the past year, twenty-five major American cities have instituted programs similar to the one proposed here. Other major cities, including Houston, have started similar programs on their own because they were convinced that such primary care programs are cost beneficial over the long run.

Currently, a local foundation and the Dallas County Mental Health and Mental Retardation agency are providing two part-time psychiatrists and a psychiatric social worker to work with the homeless. Psychiatric medications are currently provided by Dallas County Mental Health and Mental Retardation for this effort. The psychiatrists and social worker, and medications, would be incorporated into the recommended health care team.

At the time of the original City of Dallas proposal to the Robert Wood Johnson/Pew Memorial Trust for funding, June, 1984, City officials agreed to fund most of the costs of program management and clerical support for the coalition of thirty agencies involved. While that proposal did not receive Robert Wood Johnson/Pew Memorial Trust funding, Dallas, unlike many other cities requesting grants, has sufficient economic resources to implement the program itself.

The recommended program of health services is outlined below:

1. A health care team composed of a part-time internist and psyciatrists, nurse practioners, social workers, and team manager will be established to provide primary health care in Central Business District area sites where many of the homeless congregate. Clerical support will be provided for the team.

2. The Team will operate from one "home base" that will house the physicians and serve as one location where the full care offered by the program can be accessed each day. Initially, this base should be at The Shelter, Inc. located on Austin St.; once the new shelter is built the team will use it as "homebase". Part of the team would leave that site daily to visit other "satellite" locations, generally other shelters or missions. Primary health care would be available at "home base." Health screening, "triage," medication management, and nurse follow-up on previous visits would be the major services provided at satellite locations.

3. Patients found to need the services of a specialist or hospitalization will be cared for through a service agreement with Parkland Memorial Hospital.

4. Social workers will provide case management services. The social workers will access the services and benefits of a large number of agencies through formal agreements -- in effect, increasing access of the homeless to available public benefits for which they may be eligible: SSI, SSDI, VA, food stamps, AFDC, etc.

5. While the focus of the health care team's work will be for the homeless in the Central Business District's shelter and missions, training will be provided to staff of existing neighborhood clinics in the special problems of the homeless. Moreover, where services cannot be provided for homeless patients encountered in neighborhood clinics, the team will accept referrals.

6. A wide range of services would be coordinated with this project through formal agreements. In the June, 1984 grant proposal, thirty social service agencies and health organization agreed to work with the health care team, including those working in the areas of mental and physical health, alcoholism, epilepsy, drug abuse, family violence, immunization, and senior citizen services.

Recommendation 3: Conduct outreach and advocacy efforts at the shelters and missions to assist homeless families and individuals obtain public benefits for which they are eligible (SSI, SSDI, VA, food stamps, AFDC, etc.).

The social work component of the health care team should serve as advocates for homeless citizens to obtain the benefits for which they are eligible. The coalition of 30 agencies which was formed for the Robert Wood Johnson/Pew Memorial Trust grant would serve as a resource for the social work component and assist in linking homeless persons to private and other public services and benefits.

This Committee's recommendation concerning outreach and advocacy services to the homeless is currently being implemented in several cities. In New York City, for example, this type of advocacy effort has resulted in roughly half of the applicants referred from the shelters being awarded benefits.[22]

Recommendation 4: Improve security and police protection for homeless persons in the downtown area and establish regular communication between the Central Patrol Division of the City of Dallas Police Department, other City Departments, and shelter providers.

The form of increasing protection could be that of assigning police officers to regularly visit shelters and missions each evening, increased foot patrols in the Central Business District during the evening hours, 6 p.m. until 2 a.m., and increased training of police officers about the particular problems of the homeless and services available to the homeless. The form of increasing protection might be modeled after the successful program that the Central Patrol Division developed for the Southeast Asian Refugees in East Dallas.

The Committee's recommendation concerning security and police protection for homeless people downtown was suggested to the committee by shelter providers, who requested police protection at the shelter consistent with their procedures and approach to counseling. Shelter operators downtown also requested increased foot patrols in the Central Business District after dark and regular meetings with officers in the Central Patrol Division.

Recommendation 5: Facilitate on-site employment counseling and job referral services at shelters where the homeless congregate.

In a study, The Homeless in New York City Shelters by Stephen Crystal and Mervyn Goldstein in May, 1984, it was found that approximately 25 percent of men, and 30 percent of women, lacked any of the following characteristics which could be barriers to employment: substance abuse history, jail/prison history, less than eighth grade education, no previous employment, physical, medical, or psychiatric problems or being over age 65.[23] City of Dallas Department of Health and Human Services studies suggest that a significant percentage of the homeless, particularly transient young men are job prepared. 38 percent of those interviewed in the Salvation Army Sit-up Shelter survey in 1983 replied that they had received skill-training for a particular job.[24] 26% had received training for a skilled labor position such as carpenter, mason, painter, or machinist.

The Dallas Alliance of Business through its President, Kerry Goodwin, has offered to help homeless individuals secure employment. Counselors from the Job Training Partnership assessment and assignment unit can be assigned on a regular basis to The Shelter, Inc. to help homeless individuals access JTPA programs.

Recommendation 6: Provide personal and employment-related needs at the existing shelters and missions, consistent with the procedures of shelter operators (showers, lockers, food, clothing, laundry service, access to telephones, etc.).

Private donors already provide some items (e.g., soap, razors, etc.). Municipal funds should be utilized only if other private sources can not be secured.

This Committee's recommendation for personal services and accessories for homeless persons in the shelters was suggested by people utilizing the shelters in testimony before the Committee, by individuals testifying before a special public forum conducted on July 14, 1985 at The Shelter, Inc. on Austin Street[25] and in the Department of Health and Human Services study, Issues Associated with Housing the Indigent.[26]

3. Emergency Housing Assistance

Recommendation 7: Contribute $100,000 to existing private agencies which now provide short-term financial assistance to help individuals and families retain or re-establish a permanent residence.

The purpose of the funding is to provide, either through short-term loans, in most cases, or grants, in those instances where it is necessary, the funds necessary for a family to establish a residence. A similar program is operated in Seattle, Washington, by the Seattle Emergency Housing Service using a combination of CDBG and United Way funds.[27] The Seattle program is structured with loans being channelled through a bank, so that upon re-payment, the householder establishes credit with a local lender. If operated primarily as a short-term loan fund, this resource should be practically self-renewing.

The role of the City of Dallas should be to provide capitalization and seek additional private resources.

The Committee's recommendation that the City Council contribute to an emergency housing fund recognizes the relatively high start-up costs of establishing a permanent residence. The average rent for an apartment in Dallas ranges from $386 per month for a one bedroom unit to $650 per month for a four bedroom unit.[28] First-month's-rent plus security and utility deposits are often more than a struggling, homeless household can amass, particularly when they are on the streets or staying at a shelter. Families in Dallas are reported to be staying in motels for months at a time because of the high rents and start-up costs in area apartments.[29]

The funding should also be used to prevent homelessness by providing emergency housing assistance (one to two month's payments) to households facing eviction or foreclosure. There are 36,000 evictions in Dallas annually.[30] Interviews with homeless persons at the Salvation Army Sit-up Shelter indicated that half of them had lost a permanent residence within the previous eight months.[31] Helping people maintain their residence is probably the most cost-effective approach to alleviating the problems of homelessness.

Recommendation 8: Prohibit by ordinance evictions/set-outs during sub-freezing weather.

It has been customary not to set people out in rainy weather, and the recently passed Senate Bill 1231 in the Texas legislature prevents set-outs "while it is raining, sleeting, or snowing." The Committee's recommendation simply extends this prohibition to include sub-freezing weather regardless of precipitation. Extremely cold weather always results in over-crowding at the available shelters and missions, so preventing evictions in such conditions has practical policy considerations as well as humanitarian concerns.

Recommendation 9: Revise the Master Emergency Operations Plan to include additional public awareness efforts concerning shelters and services during severe weather and to authorize training of City Recreation Center directors in regard to the particular problems of the homeless and availability of services.

Recommendation 10: Working with existing providers, expand the network of hotel/motel rooms available to accommodate homeless families to 100 rooms. [Length of stay: 1 - 7 days.]

This Committee's recommendation expands upon an existing program, "Hotels/Motels in Partnership". Shelters and missions are hard enough for single adults to use as a base for improving their living conditions; they are next to impossible for families and children, which are found increasingly among the homeless.

B. Transitional Housing with Associated Services

Several non-profit and church related agencies currently operate transitional housing programs (Temporary Emergency Housing Program in West Dallas, Presbyterian Step-Up Program in South Dallas, East Dallas Cooperative Parish's Re-Start Program). However, the number of housing units is still quite small compared to the need. Typically, such programs provide food, clothing, shelter, child care, and transportation. Clients agree to participate in the program from six to twelve weeks. Program elements consist of time management, budgeting, job search and job interview methods, goal setting, and positive reinforcement.

Recommendation 11: Working with existing transitional housing programs and apartment owners, develop a network of 100 housing units for use as transitional housing.

This committee's recommendation to expand the existing thirty transitional units to serve 100 families in apartments is designed to take advantage of existing vacant apartments and, at the same time, minimize capital costs. The current and projected apartment vacancy rate for the City of Dallas is very high; M/PF Research is projecting a vacancy rate of 18 percent for the area in 1986.[32] These units, though generally not affordable by low-income households in a market setting, are a tremendous, potential resource for transitional housing. Landlords and apartment owners, who are currently offering vacations, etc., to attract tenants, may be persuaded to provide units for transitional housing at less than market rates. Program elements to help homeless families move to permanent housing including assessment and assignment, referrals, monitoring of a household's progress toward self-sufficiency, and assisting a household in obtaining permanent housing after the transition period (one to three months) should be done by private-sector, non-profit organizations (as is successfully being done by the forementioned programs).

Recommendation 12: Utilize 10 houses from the HUD-held "Special Risk or General Insurance Fund" (repossessed properties) for transitional housing.

There are homes that have been foreclosed on in the HUD-held "Special Risk or General Insurance Fund" in Dallas. The Secretary of HUD has instructed area offices to make these houses available to cities in partnership with private, non-profit agencies for lease at $1 a year. In general, the city must assume the cost to rehabilitate the existing house, if needed, up-keep on the structure, and insurance. The private, non-profit organization, on the other hand, assumes the cost of managing the transitional program and associated utility costs. The Memphis Interfaith Association (MIFA) is, in conjunction with the City of Memphis, operating a 10-unit program, similar to the one here recommended.[33] A program instituted in Dallas should be facilitated through the Department of Housing and Neighborhood Services in conjunction with non-profit, program sponsors.

Recommendation 13: Recommend to the Dallas Housing Authority that they consider "emergency" priority status for admission to subsidized housing be granted to homeless families and individuals and those in transitional housing.

In February, 1983 the Secretary of HUD reaffirmed that the homeless may receive such status. In January, 1985 regulations were proposed to grant such status to the elderly and poor families who lose their homes through no fault of their own.[34] These regulations were also proposed to cover battered spouses.Such a rating system would help alleviate the pressing problem of homelessness.

C. Affordable Housing and Supportive Services

The immediate problems associated with homelessness occur against a background of decreasing numbers of affordable housing units. In other cities, the demolition of single-room-occupancy hotels offers dramatic evidence of this loss of housing. In Dallas, the expansion of the new farmers market area is also associated with the loss of the last of the remaining low cost single-room-occupancy hotels within the Central Business District. The downtown YMCA no longer provides low cost rooms. In addition, in Dallas there has occurred a steady attrition of low-income housing -- small frame homes, duplexes, and apartments -- over the past fifteen years, particularly in the inner-city, minority neighborhoods. The gentrification of certain inner-city neighborhoods has further reduced the stock of low-income housing. The provision of emergency and transitional housing begs the question; Transition to what? Where to live after the emergency?

The Committee recognizes that the problem of homelessness is related to the growing crisis in low-income housing. The Committee urges the City Council to include in its deliberations the impact any policy or program implementation will have on the preservation and expansion of the inventory of low-income housing. While the Committee has not made specific recommendations regarding permanent, low-income housing, with the exception of housing for the mentally ill, we urge the City Council to give this issue a top priority in the coming year.

Recommendation 14: Participate in the development of 100 permanent housing units for use as supportive residences for mentally ill, de-institutionalized individuals, with 18 units initially developed during fiscal year 1985 - 86, with these units administered by Dallas County Mental Health and Mental Retardation.

The implementation of this recommendation should be done in conjunction with Dallas County Mental Health and Mental Retardation and the Mental Health Association of Dallas County relying upon the experiences they have had with existing, limited programs. Dallas County Mental Health and Mental Retardation currently operates less than thirty housing units. Both of these organizations have expressed a willingness to work with City staff on this problem. The City of Dallas funds should supplement Dallas County, state, federal and private-sector funding.

VI. Coordination of Public and Private Sector Initiatives

The issue of homelessness in Dallas today is being addressed with varying degrees of success by a number of governmental and social service agencies, churches, and community organizations. The growth and urgency of the problems facing homeless persons here in the City of Dallas argue for enlarging the very limited role played to date by city government.

The role of City government in delivering services to homeless people should involve:

-- providing space and facilities, for instance, in constructing a temporary emergency shelter as recommended, from which a substantial amount of services would be provided by private agencies;

-- providing staff to fill identified gaps in existing health care and social work efforts;

-- serving as a financial resource to start-up new initiatives such as the Dallas Emergency Housing Fund, the use of HUD-foreclosed properties and apartments for transitional housing, and the development of housing units for mentally ill, deinstitutionalized individuals

-- taking a leading role in coordinating services, for example by helping to establish an intergovernmental/community standing commission for the homeless as an ongoing body.

Recommendation 15: Take the leading role in initiating the Greater Dallas Commission for the Homeless, with membership to include representatives from business, government, churches, social service and community organizations, and shelter providers to examine the long-term housing, health, and social service needs of the homeless, monitor the implementation of recommendations in this report, suggest long term recommendations, and develop private sector support.

Recommendation 16: Monitor the use of state and federal funds available for programs to assist the homeless in order to maximize their use in the City of Dallas.

The City of Dallas should act as an advocate for the homeless in Austin and Washington. For example, the Federal Emergency Management Agency program to provide funds for emergency food and shelter will have its funding authorization expire after September 30, 1985. Whether this program will be continued, and under what department, is uncertain.[35] The state-administered Community Services Block Grant, Social Services Block Grant, and Alcohol, Drug Abuse, and Mental Health Block Grant can all be used for food, shelter, and services to the homeless. The authorizations for these funds should all be carefully monitored in order to maximize their use to help the homeless in Dallas.

The role of city government in addressing the issues of homelessness may well be limited by the availability of financial resources and the demands of competing interest; however, that role should not be limited by lack of knowledge, by indifference, or by an unwillingness to share the responsibility for helping the homeless men, women, and children of Dallas.

FOOTNOTES

1. General Accounting Office, Homelessness: A Complex Problem and the Federal Response, Report No. GAO/HRD-85-40, prepared for the House of Representatives Committee on Government Operations/Subcommittee on Intergovernmental Relations and Human Resources, April 9, 1985, p. 17-27.

2. Gearson, Peggy Jane, and Stark, Louisa R., "Homelessness in the Southwest; A Survey, "Homelessness in America--II, Serial No. 98-64, Hearing before the Subcommittee on Housing and Community Development, Committee on Banking, Finance and Urban Affairs, U.S. House of Representatives, January 25, 1984, p. 622.

3. National Coalition for the Homeless, The Homeless and the Economic Recovery, One Year Later, November 1984, p. i-v, 31-35.

4. Hopper, Kim, et. al., One Year Later: The Homeless Poor in New York City, 1982, Community Services Society, Institute for Social Welfare Research, June 1982, p. 6.

5. GAO, Homelessness, op. cit., p. 18.

6. Ibid.

7. Ibid., p. 8-10.

8. City of Dallas, Health Care for the Homeless, Grant Application to the Robert Wood Johnson Foundation, June 27, 1984, p. 76.

9. Ibid., p. 11-13, 77-78. See also City of Dallas, Department of Health and Human Services, Issues Associated with Housing the Indigent: The Salvation Army Sit-up Shelter Program, August 1983, p. 20-35.

10. City of Dallas, Health Care for the Homeless, op. cit., p. 86-92, citing Texas Department of Human Resources, Homelessness in Texas, June 6, 1983, Table 1: Aid to Transients and Homeless Persons, Calendar Year 1982.

11. Pederson, Rena, "Running for Their Lives," Dallas Morning News, July 20, 1985. City staff estimates are somewhat lower: see City of Dallas, Department of Health and Human Services, Extent and Location of Runaways, The Relationship Between Runaways and Child Abuse, and the Relationship Between Runaways and Juvenile Prostitution in the City of Dallas, 1985, pp. 4-5. This study estimates a total of between 5,000 and 6,000 runaway children and adolescents in the City of Dallas during any given year.

12. Tarrant, David, "Thousands in need of housing or aid in Dallas," Dallas Morning News, March 31, 1985.

13. City of Dallas, Health Care for the Homeless, op. cit., p. 14, 95.

14. Ibid., p. 95.

15. City of Dallas, "Fact Sheet on Homeless in Dallas," not dated, presented to the Committee in June 1985, p. 1.

16. City of Dallas, *Health Care for the Homeless*, op. cit., p. 15

17. Ibid.

18. Ibid., p. 15, 98.

19. Testimony before the Committee, Rev. Jerry Hill and Rev. James A. Starkes, June 6, 1985.

20. City of Dallas, *Health Care for the Homeless*, op. cit., p. 99.

21. Telephone interview with Clint Reynolds, Director of Case Management Services, Dallas County Mental Health and Mental Retardation, June 10, 1985.

22. GAO, *Homelessness*, op. cit., p. 39-40.

23. Stephen Crystal and Mervyn Goldstein, *The Homeless in New York City Shelters*, New York: Center for Human Services Research and Development, 1984, p. 28-29.

24. City of Dallas, Department of Health and Human Services, *Issues Associated with Housing the Indigent*, op. cit., p. 28 and 33.

25. Hiday, Jeff L., "Homeless describe their plight," *Dallas Times Herald*, July 15, 1985; also Wright, Julie, "Homeless describe job woes," *Dallas Morning News*, July 15, 1985.

26. City of Dallas, Department of Health and Human Services, *Issues Associated with Housing the Indigent*, op. cit., pp. 27-28.

27. HHS, *Helping the Homeless*, op. cit., p. 98-99.

28. City of Dallas/Dallas Housing Authority, "DHA Waiting List Analysis," no date, presented by City of Dallas Department of Housing and Neighborhood Services, June 1985, citing M/PF research; also see Staton, *Dallas Times Herald*, June 25, 1985, see footnote32 below.

29. Bogan, Christopher, "Just room to breathe," *Dallas Times Herald*, July 15, 1985.

30. City of Dallas, "Fact Sheet on Homeless in Dallas," op. cit., p. 1.

31. City of Dallas, Department of Health and Human Services, *Issues Associated with Housing the Indigent*, op. cit., p. 35.

32. Staton, Marilyn, "Apartment vacancy expected to climb," *Dallas Times Herald*, June 25, 1985.

33. U.S. Department of Health and Human Services, *Helping the Homeless: A Resource Guide*, U.S. Government Printing Office, 1984, p. 94-95.

34. GAO, *Homelessness*, op. cit., p. 35.

35. GAO, *Homelessness*, op. cit., p. 45.

City of Dallas
Mayor's Special Committee for the Homeless
Detailed Budget Considerations

Recommendations for Immediate Budget Action

Fiscal Year 1985-1986

Recommendation 1: Finance the construction of a shelter to serve Dallas' homeless population in the 1985 Capital Improvements Bond Program. (Narrative, p. 5)..$2,055,000

The Shelter..$2,055,000
Capital Bond Financing

Building Construction...............................$1,539,000

The proposed shelter size, 20,520 sq. ft., will provide sufficient space to shelter 500 individuals and the associated proposed services. Construction costs are estimated at $75 per sq. ft. x 20,520 sq. ft. = $1,539,000.

Purchase of Land.....................................$ 516,000

In the area suggested for the new shelter land is currently selling for $12 per square foot. Lot size of 43,000 allows enough room for expansion.
43,000 sq. ft. X $12.

Recommendation 2: Complete the implementation of a program to deliver primary physical and mental services to homeless people living in downtown areas through the creation of a health care team. (Narrative, pgs. 5-6).....$239,456

Health Care and Social Work Team.......................$239,456

A. Salaries...$168,606

1. Team Manager City of Dallas Civil Service Position (Adm. Asst. Grade 16, Step 7)	100%	$ 39,211
2. Internist Funds for this Position to be used to contract with Parkland Memorial Hospital to hire an internist on their staff.	60%	$ 35,517
3. Family Nurse Practioner City of Dallas Civil Service Position (Nurse Practioner Grade 12, Step 9)	100%	$ 32,357

4. Psychiatric Nurse Practioner City of Dallas Civil Service Position (Nurse Practioner Grade 12, Step 2)	100%	$ 23,543
5. Social Worker City of Dallas Civil Service Position (Case Worker Grade 12, Step 2)	100%	$ 23,543
6. Clerk City of Dallas Civil Service Position (Clerk Grade 6, Step 2)	100%	$ 14,435

Note: (Calculation of salaries assumes COLA of 5% for FY 85-86 and 5% merit increase when applicable.)

B. Flexible Benefits..$ 7,674

Flexible benefits include a variable range of health and life insurance benefits. They are calculated here at $114.19 per worker month for fiscal year 1985-86.
(City of Dallas)

C. Pensions...$ 14,332

City of Dallas Pension Contributions are fixed at 8.5% of Salaries. For budget purposes, the same rate is used for the internist to be under contract to Parkland Memorial Hospital.

D. Supplies...$ 13,184

Assumptions: Because the proposed program involves many new service elements, it is difficult to provide supply schedules and costs. This item in the budget reflects cost factors derived from experience at other local primary health care clinics. It is assumed that medication costs will be picked up by Parkland Memorial Hospital and Dallas County Mental Health and Mental Retardation.

1. Medical Supplies $ 6,624

These include a wide variety of consumable supplies. Consumables include: exam gowns and drapes, table paper, dixi cups, tongue depressors, cotton swabs, bandages, gauze, "chemstrips", syringes, needles, wipes, exam gloves, suture kits, etc.

These consumables cost from $0.66 to $0.77 per patient encounter in local primary health care clinics. An average of $0.72 per encounter has been used for this budget. $0.72 X 9,200 patient encounter.

2. Administrative/Office Supplies $ 6,560

   a. Within the medical service area, these costs are estimated at 50% of similar costs at local primary health care clinics. Other clinics must provide far more documentation for costs because they seek reimbursement from medicare and medicaid. Something that is not envisioned for this project. Office supplies at other clinics are currently estimated at $1.00 per patient encounter.

   $0.55 X 9,200 patient encounters. $ 5,060

   b. Duplication $ 1,400

   20,000 copies @ $0.07

   c. Postage $ 100

E. Equipment...$ 22,400

1. Equipment for Two Exam Rooms $ 15,000

   This includes exam tables, stools, chairs, lamps, trays, desks, cabinets, and some simple lab equipment.

2. Micro-Computer for Medical Records $ 6,000

   This includes computer, hard disk storage, monitor, printer, and software.

3. Typewriter $ 900

4. Telephone $ 500

   (Installation and Annual Charge)

F. Purchased Services....................................$ 9,600

This budget category has been added to provide the health care team the flexibility needed to respond to specific problms of clients. Although social and medical service agencies may be able to provide most needed services, the following gaps may need to be filled with purchased services and to back-up the casework program.

1. Bus Passes	$ 4,600
2. Medical Support (Prosthetic devices, eye glasses, etc.)	2,500
3. Special Rehabilitation Services	2,500

G. Travel..$ 3,660

1. Staff to attend professional meetings	$ 1,660
2. Local travel consisting of team movement between "Home Base" and Satellite Centers. Staff will travel 20 miles/day, 250 days @ $0.20 per mile.	$ 2,000

Recommendation 3: Conduct outreach and advocacy efforts at the shelters and missions to assist homeless families and individuals obtain public benefits for which they are eligible (SSI, SSDI, VA, food stamps, AFDC, etc.). (Narrative, p. 7)..No Budget

Recommendation 4: Improve security and police protection for homeless persons in the downtown area and establish regular communication between the Central Petrol Division of the City of Dallas Police Department, other City Departments, and shelter providers. (Narrative, p. 7)...............No Budget

Recommendation 5: Facilitate on-site employment counseling and job referral services at shelters where the homeless congregate.(Narrative, p. 8).......... ....No Budget)

In part, this recommendation should be facilitated by having JTPA assessment and assignment unit staff make regular visit to shelters where homeless congregate, thus increasing access to existing Job Training Partnership (JTPA) programs...........................No Budget

Recommendation 6: Provide personal and employment-related needs at the existing shelters and missions, consistent with the procedures of shelter operators (showers, lockers, food, clothing, laundry service, access to telephones, etc.). (Narrative, p. 8)................................No Budget

Recommendation 7: Contribute to existing private agencies which now provide short-term financial assistance to help individuals and families retain or re-establish a permanent residence. (Narrative, pgs. 8-9)............$100.000

Dallas Emergency Housing Fund.......................$100,000

To expand on-going efforts, the City of Dallas should contribute $100,000. Other funding for the project should come from the private sector and charitable organizations.

Recommendation 8: Prohibit by ordinance evictions/set-outs during sub-freezing weather. (Narrative, p. 9)..............................No Budget

Recommendation 9: Revise the Master Emergency Operations Plan to include additional public awareness efforts concerning shelters and services during severe weather and to authorize training of City Recreation Center directors in regard to the particular problems of the homeless and availability of services. (Narrative, p. 9)..No Budget

Recommendation 10: Working with existing providers, expand the existing network of hotel/motel rooms available to accommodate homeless families to 100 rooms. [Length of stay: 1 - 7 days.] (Narrative, p. 9)...............No Budget

Recommendation 11: Working with existing transitional housing programs and apartment owners, develop a network of 100 housing units for use as transitional housing. (Narrative, p. 10)...............................$483,000

> Approximately 30 such housing with utilities units already exist. The average cost for renting a two-bedroom apartment, which can house 4 persons, is estimated @ $575 per month. To expand the existing network of 100 units, 70 additional housing units are needed.
>
> 70 housing units X $575 per month X 12 $483,000
>
> Services to resident of transitional housing, described on pages 10-11, will be provided by private sector, non-profit agencies and organizations.

Recommendation 12: Utilize 10 houses from the HUD-held "Special Risk or General Insurance Fund" (repossessed properties) for transitional housing. (Narrative, p. 10)...$ 52,000

> The director of a similar program in Memphis, Tennessee, Mr. Gid H. Smith of Memphis Interfaith Association, esitmates that it takes about $3,500 to make a HUD-forclosed house ready for occupancy. His program has repaired 10 homes -- two, three and four bedroom houses -- for this purpose using Community Development Block Grant Funds. The Committee's estimate is $5,000 C D funds per unit; units requiring major renovations would not be cost effective for this program. As indicated in Recommendation #11, services to families in these transitional homes will be provided by private non-profit agencies.
>
> $5,000/unit X 10 units $ 50,000
>
> The average insurance assuming a net value of $30,000/house @ $200/year $200 X 10 $ 2,000

Recommendation 13: Recommend to the Dallas Housing Authority that they consider "emergency" priority status for admission to subsidized housing be granted to homeless families and individuals and those in transitional housing. (Narrative, p. 11)..No Budget

Recommendation 14: Participate in the development of 100 permanent housing units for use as supportive residences for mentally ill, de-institutionalized individuals, with 18 units initially developed during fiscal year 1985 - 86, with these units administered by Dallas County Mental and Mental Retardation. (Narrative, p. 11)..$124,000

(1) 18 apartment units for the mentally ill at an average rental cost of $575 per month

18 apts X $575 X 12 months (initial cost)	$124,200
Program clients would pay rent as they secured employment. Dallas County Mental Health and Mental Retardation conservatively estimates that 70 percent of rents would be paid by clients (potential recovery)	$ 93,150

Estimated cost of operating rental part of program for one year is: $31,050

(2) Cost of operating the service program would be that of Dallas County Mental Health and Mental Retardation, state, and federal governments.

Recommendation 15: Take the leading role in initiating the Greater Dallas Commission for the Homeless, with membership to include representatives from business, government, churches, social service and community organizations, and shelter providers to examine the long-term housing, health, and social service needs of the homeless, monitor the implementation of recommendations in this report, suggest long term recommendations, and develop private sector support. (Narrative, p. 12)..$20,000

Projected costs to support the work of the Commission include costs for supplies, duplication costs, telephone costs, stamps, etc. and services is $20,000.

Recommendation 16: Monitor the use of state and federal funds available for programs to assist the homeless in order to maximize their use in the City of Dallas. (Narrative, p. 12)..No Budget

ACKNOWLEDGEMENTS

The following individuals made presentations and/or provided advise and expertise during the proceedings of the Mayor's Special Committee on the Homeless. The Committee wishes to thank these individuals for their support and their insight. They have assisted the Committee during our search for recommendations aimed at solving the problems of the homeless.

Deputy Chief W. L. Cannady
Dallas Police Department

Father Jerry Hill
Episcopal-Presbyterian
Shelter, Inc., and The Stew Pot

Tim James
Casa de los Amigos
Metropolitan YMCA

Thomas Hickey
City of Dallas Department of
Health and Human Services

Terry Paul
Community Council of Greater Dallas
Community Outreach Center

Russ Dunkley
Dallas County Mental Health and
Mental Retardation Center

Kerry Goodwin
Dallas Alliance of Business

Clint Reynolds
Dallas County Mental Health and
Mental Retardation Center

Reverend James Startes
Dallas Life Foundation

Susan Waldren
American Red Cross
Emergency Housing Program

Robert Hohman
Dallas Countywide Health
Department

Valencia Gill-Hooper
Parkland Memorial Hospital
Alcohol Intervention Program

Donald Roy
Dallas Chamber of Commerce

Sidney M. Thompson
Industrial Labor Service

Claudia Scott
Restart

Chairman GONZALEZ. Father Hill.

STATEMENT OF FATHER JERRY HILL, CODIRECTOR OF THE EPISCOPAL-PRESBYTERIAN SHELTERS, INC.

Father HILL. I'm not really sure how I can add to that because Mr. Smith did touch on several topics, or issues that I was going to speak on, but I'd like to just point out that any time we talk about homeless I'd served—or testified to the committee at the State level, the city level, and I think we have reams of research paper in dealing with the homeless.

But one of the major obstacles is we tend to lop all the homeless into one category, and I see them personally as two separate. I see, No. 1, the community homeless and No. 2, the street homeless which congregate in the downtown area, and each one has their own unique needs, and therefore, require their own unique solutions.

I could just highlight a couple of things that I—this is my 18th year working with street people, and I think we begin to see the drastic change about in the early 1970's for two reasons.

First, the mandate by the Federal Government to deinstitutionalize people especially out of mental hospitals, we begin to see them start hitting the street. Now, the mandate was that they were to be returned to the community for followup care, and the community has never prepared for them, they're not prepared for them at this point.

Texas, as you know, is very unique that the money is separated from mental hospitals and MHMR. Therefore, the political clout that forms the economics for the area that the hospitals are located in, so if you try to take some of that money, return it to an area like the community of Dallas for followup care, you're really touching on taxpayers revenue, I mean, that's where they're making their income, the income from the hospitals, and so, therefore, we see a tremendous surplus at the hospitals and nothing trickling into the community followup care.

Often many, many times we're talking that we see individuals arrive on the street with just the clothes on their back with a little handwritten note from the social worker at the hospital to go to the Union Gospel Mission, go to the stewpot, the Dallas Life Foundation, like this.

Now, these people have a hard time taking responsibility of just leaving the bus station much alone to start to pick up their lives and loose ends.

But we begin to see that, and as Mr. Smith pointed out, we have documented approximately 4,000 people that are homeless in the downtown area. That would mean if you were on crutches, walk an area in any direction from the bus station, that's what we call the downtown homeless. So that would be approximately a mile in any given direction.

That 4,000 people which we did document with names, birthdays, and Social Security numbers, we sent that to Austin to see how many of those people had a chronic history with Texas Department of Mental Health and Mental Retardation. That was put to computers. We verified at least one-third of those people.

Now, that does not take into consideration the mentally ill from out of town or those that have not been bizarre enough to be institutionalized.

We do estimate from 50 to 60 percent of the street people would be actually classed as mentally ill.

In addition to that, we're seeing that the ex-offender being returned from prison is being returned to the community for followup care. This is ridiculous. There is no followup care. They are ending up on the street.

And we talked about we heard the policeman a few moments ago mention about the transients that were causing the crime in the projects in West Dallas. I want to point out now this is not the typical skid row man he's talking about. This is a young 20- and 30-year-old that's been released from prison, or other things, that are causing the problem. And they are causing hell within the street people. Every night they come in to rob and to beat and to maim. They cause the problems in the project, and this is continually, they're preying on the homeless people.

I think that oftentimes, and this is an accusation that may not be fair, but I think we allow crime to exist to possibly get rid of the homeless people to make them move on.

I think that sometimes that can be deliberate where you overlook a pocket of crime so that you'll clean up a problem. And I say that that's in some cases deliberate.

But anyhow we have those two examples of increase of the homeless on the street. These are people that you may —epsecially the mentally ill, if they're chronic, have a long history, you're not one to get them to the point of them being a responsible taxpayer. We hope to just to get them stabilized just to care for their own lives.

In addition what we're seeing, about 1980, and I'm just using that as a magical line, we stepped across when we experienced a severe recession in our country, we stepped across a magical line to a high tech society. High tech society requires an education or skill to compete. We're seeing more and more younger people now dropping out simply because they're undereducated, they're unskilled, the only way they can compete is on a minimum wage, and the most they can expect to be increased is approximately $5 an hour. The cheapest apartment, and we're talking about a dump, is approximately $300 a month. You have to put up a deposit on that, which makes about $400, $450 up front, just to get an apartment.

The people that we're seeing that's being displaced from the community that is being directed to the missions for emergency housing, there s no way on day labor, or minimum wage, if they can save $450 a month because they're going to be robbed by these punks before they could ever put that down on the housing.

So we're seeing an increased number of families come to the street, primarily single mother families. The mother desperately wants to work. She cannot work until she gets care for her children, which means low-income day care. In order to get employment she must first of all have day care to get employment to provide housing. Day care for the low income is at the point of nonexistent in Dallas.

So, therefore, the mother is in a home and there's absolutely no way to get out. We're seeing more and more young children on the street. These are not just minorities. This is a full range, and I'm seeing children from infancy to 12 years old, and I'm seeing children that have not been in school in 1, 2, or 3 years.

For instance, consider a 12-year-old boy, Caucasian boy, this is his third year he'll be out of school because his mother does not have a place to live. There is no way you take a 12-year-old boy, put him back 3 days—3 years in school, and get him to stay in school.

What we are creating is a new population of skid row people, and this population is going to grow simply because we're trying to save money on programs such as day care, things like this. So we're not going to save money 20 years from now, we're going to have a new illiterate group of children. And that is becoming a serious thing, and at the present time the skid row missions is taking the responsibility of State, Federal, and local governments in programs in the inner city.

And I want to tell you, and I'll end with this, that I think that I am mandated by Christ to serve the people on the street in a ministry, but I want to remind the Government that the church was not created to be a social agency. We were created to help our fellow man. That does not take the responsibility of the Government. And the Government has continually referred these problems to the church, and to the private sector.

My brothers of private sector are not picking up their responsibility. To a certain degree they are. But the Government is shifting the responsibility to the private sector that they know is not picking up, and to the church, and I think the Government is responsible for the citizens within its community.

Thank you.

Chairman GONZALEZ. Thank you. Since our colleague, Congressman Bryant, has had hearings here on the homeless, I'm going to turn it over to him for any questions he may wish to ask, and to recognize him at this point.

Mr. BRYANT. Thank you, Mr. Chairman.

I'd just like to congratulate both of you for the good work you do. I have an opportunity to take a look at it when you invited me out the other day, and was very enlightening, and I appreciate you putting that hearing together for us.

If you were—Father Hill, if you were king for a day and you could construct your own system to deal with these street people, what would we do?

Father HILL. You're asking me on the list of priorities. There's a lot of things to do. Let me tell you priorities.

I would not have told you the same thing 5 years ago. At the present time the—as I see it on the street, the absolute emergency, and I know I'm cutting my own throat because we need continual funding, we need to have the beds in the mission available for homeless people, but the thing that, I guess, keeps me in my sleepless nights going is children. Children were not made for skid row. And day care is the first priority if we're going to deal with homeless you've got to deal with day care first.

Mr. BRYANT. Getting specific, you would—in Dallas, down there next to the facility you run you would have a day care center for all the kids?

Father HILL. I would further day care centers to be located in elementary schools within the community. I would say that then I could start—No. 1, first priority, is getting children, the single mother with children, off the street first. I think we could start—we're always going to have homeless in the inner city. Skid row has been here in the past. It's here today and it's going to be here tomorrow. But what I'm saying what we have directed to skid row that we call homeless, single mother with children, those people could be—could make the transition back into society and be responsible and taxpaying citizens.

And they're the first priority for me to get off the street.

Mr. BRYANT. I'm trying to get at how. I agree. I was down there and saw the kids and that's just the most heartrending thing in the world to see that.

What would we have? Maybe a housing project for them where you put the mother and the child in and—what kind of a plan would you propose?

Father HILL. My feeling is that day care—we've already experienced it's too expensive to operate like we have in the past. I'm saying that day care should be aligned with the elementary schools within the community. Then if I can get that child in east Dallas, or west Dallas, a day care center, chances are we will find something in that area to help that mother be located in, some kind of apartment or project. But I don't think that day care should be on the street. I'm really saying direct these children away from the street because you're creating a new mentality.

Mr. BRYANT. Parents of these kinds, do they fall in the category that you described as 50 to 60 percent of them, or would be considered mentally ill?

Father HILL. No; the families I tend to see is the category I listed as undereducated and no skills.

Mr. BRYANT. The mentally ill are usually——

Father HILL. The mentally ill tend to be individuals. And that could range in all ages, yes, but they would not be in the family situation I'm talking about.

Mr. BRYANT. Mr. Smith, do you concur with Father Hill?

Mr. SMITH. Yes, I do, and I think the only thing that I would add to that at all would just be the idea that this coalition between the public and private sector can really take hold when you're dealing with a specific physical location; in other words, groups in the private sector tend to get really excited and involved when they know that in X neighborhood there's going to be an adjunct day care center with an elementary school, as Father Hill has outlined, and that kind of—the support and the kind of private sector response to the problem can emerge when you've got a fixed operation like that as opposed to some monolithic project somewhere downtown.

I dealt with 15 to 20 groups, mostly church groups, that are interested in programming or doing ministry for homeless people over the last year, and invariably one of the first questions or first issues that surfaces is isn't that being taken care of down there somewhere. And the notion is that some governmental agency or institution is dealing with these problems.

When you give the private sector an opportunity to sink its teeth into something that's finite and local, the response can be adequate, but it's certainly not going to be enough to get an amalgamation of little nibbles going on to solve these problems.

I think the response from the Federal Government that I think is appropriate is to help make available through economic incentives, or other mandated programs, the physical locations for some of these opportunities, for some of these programs.

In Dallas, as I implied earlier in my comments, I think the impetus for private groups to get involved in doing the programming is very great. I think we have that potential here. I think it's a demonstrated potential. We're involved in many ways.

But the problems are far greater than what Father Hill and a handful of others and I can sit around and conjecture over at a board meeting.

Father HILL. I guess the reason I'm zeroing in on the children, I could sit here and tell you over and over what we could offer to help the homeless in the inner city, but as I've experienced in the last 5 years, we better start from the top priority if we're going to work down, and I'm saying the first priority had better be getting these children off the street or we're creating a new mentality in the inner city that we're going to pay really bad in the next few years.

Mr. BRYANT. Thank you, Mr. Chairman.

Chairman. GONZALEZ. Mr. Bartlett.

Mr. BARTLETT. Thank you, Mr. Chairman.

Father Hill, Mr. Smith, I very much appreciate not only your excellent testimony, but your excellent ministry and service.

Do you believe that we should—is public housing the kind of vehicle that can provide some units of transitional housing, emergency, if you will, to give people a chance to get back on their feet?

And, if so, if you're going to create transitional units within public housing complexes, how long a transition would you build into it? Would it be 6 weeks, 3 weeks, 6 months, or how would you make that judgment?

Father HILL. It just depends which type of homeless you're talking about. If you're talking about a family homeless that as opposed to the mentally ill, or the addicted, or something like that, I think that there must be a minimum of 3 months, and I'm really not an expert to tell you that. But I think that the inflation, the money that they have to save up requires more time than what we have accepted.

When you move out into an apartment and you've got to have $450 up front, that takes time to get. I would suggest, and probably Mr. Smith could do it better than I on this step-up housing, but I would say at least 3 months.

Mr. BARTLETT. Mr. Smith.

Mr. SMITH. That's been the experience I've had with the project that Father Hill referred to, is a step-up ministry in south Dallas, which is a project of my church, First Presbyterian Church downtown, and we started out thinking we had a housing ministry. We were going to provide shelter, we bought a little old six-unit apartment building and renovated it. It was from grants from Meadows Foundation, and others. And decided we'd provide shelter and transitional housing for six families at a time. And we wanted to give them 3 months experience to save up some money and move on.

What we found, as Father Hill has suggested, is that the 3-month time period and the shelter were only two components of a complex circumstance. We immediately recognized the need to have some kind of host family relationship of counseling, and just a little input on some basic money management skills, for example. So we added a dimension to the program during the first few months, I think, of the project where we literally link up a resident family that's admitted into the program with a host family and the church, and they're counseled in advance as to what they can expect from families that may have been on the street, et cetera.

The general result of that has been that the families will fairly quickly figure out how much money they have to have to emerge from that sheltered environment to become self-sufficient, and typically it runs closer to $1,000 when you factor in not only the deposit and the upfront money to rent the apartment, but sometimes utility deposits, there's always a lag time in the initial paycheck where there's 1 week, or 2 weeks, for people who are just newly employed.

There are a variety of things which tend to nibble away at the ability of a family to accumulate the money that they need.

So what we've tried to do is help people be realistic and help them set their own goals so that when they do reach the end of that 90-day period, or if we extend it, make it 4 months, or whatever, they have a fighting chance to make it. Unfortunately, most don't, and I'll be frank, most statistically have not been able to transition into what I think we would all call self-sufficiency.

But many have, and I think for a lot of those people the kind of three or four, whatever, hiatus from the pressures of living on the streets is what it takes.

We heard testimony, as Representative Bryant I'm sure has informed you, you've read the testimony, from people who had incredible stories at that hearing, some of whom had had high paying jobs, good paying jobs, even perhaps white collar, semi, whatever they call it, gray collar jobs, who had lost through no fault of their own their ability to provide for themselves and their families. And they very quickly spiraled downward into dependency, and life on the street, and as Father Hill can tell us for hours, you just can't hardly get out of that. Once you're down it's extremely hard to get up.

Mr. Bryant. Will the gentleman yield just for a moment.

Mr. Bartlett. I'd be happy to yield.

Mr. Bryant. Very interesting about—there was a fellow I met there, and my two colleagues, one of the fellows I met spoke French. He was a bilingual former employee of Braniff Airlines who had hit the bottom when the airline hit the bottom and had never been able to get going again. And I thought it was remarkable.

Of course, there's some way to get him out of it. I don't know what you do with the other folks who don't have those kinds of skills.

Thank you for yielding.

Chairman. Gonzalez. Thank you, gentlemen.

Mr. Bartlett. Are there any successful models for transitional day care, that is, to say, we have a shortage of day care, permanent day care, but I think what you're describing is—and maybe I'm either making up the word— transitional day care of a chance for a mother who has her children and is living on the streets and wants to get that job, she does, and has no place to put her children during the day. Are there any successful models of either churches or other agencies provide for a transitional day care to give her a chance to—just to take the day labor job, if nothing else.

Father HILL. I think that we probably have a lot of good examples. If you look back at the day care system in the 1960's and early 1970's not all of them, but I think you have to look back there to see where the successful models are. But I think we do have to recognize the fact that building institutional day care where you—each day care center has their own administration, their own institution, it's far too expensive.

What I'm suggesting we really need to look at alternatives, new alternatives for the future for low income family day care. No, I don't think we—I don't have any projects that I could offer like that, but I do see that we do have elementary schools in every community. The building is there. The personnel is there. The administration is there. The safety is there. The space is there. We could cut out a lot of money. All we need is to take money and put individuals there.

In other words, aides and things like that, and just expand—use what we have and expand on it and we wouldn't get back in the day care trap we were back in with title 20, which obviously was too expensive.

So I think we need to look at alternatives. That's just one that I suggest, you know, and I'm not an expert in day care.

Mr. BARTLETT. Thank you.

Mr. SMITH. Congressman Bartlett, I know of one type of thing that has dealt with that issue and that's the scholarship or subsidy, otherwise full paying day care programs. A number of church groups in Dallas make available some scholarship subsidies for low income children. That's a different issue though, and first of all, that's a very small number of day care slots, and I have two little kids of my own, and my wife works, and I know how hard it is to find good day care to begin with.

But not only is it a small number of units, or spaces available under those programs, that kind of program is not likely to address the woman on the street that you referenced because we're really dealing with a human environment that's pretty hard to imagine.

I'm not going to insult you all at the suggestion that you can't relate to that, I'm sure you can, you probably heard a lot about that, but when you're living on the street and every hour is sort of a battle of survival, are we going to have any money to buy food tonight, can we get down to the shelter before they close up because they're full, you know, are we going to be able to do these rudimentary kinds of things that we take so for granted, all of the available psychic and physical energy that goes into living is devoted to those issues, and to take someone from that environment and suggest that they now can set their children up in a program we make available so they can then go on and become employed, and so forth, is asking in my opinion, those people to make a leaf of responsibility assumption or something that's a little bit unrealistic.

The transitional environment that we're talking about with child care to me has to be an integral part of transitional housing. You have to provide a place for that family where that family can live as a family.

At the step-up ministry we have a house rule that children cannot be unattended. We also have a rule that one adult in each family unit living in the building has to be employed full time. So that appears to be a conflict.

Well, what we've seen happen—I was in sort of an organic response to the house rules, are that families will form loose cooperative child care ventures on premises. We encourage that. Somebody who works nights will take care of the kids during the day, and we encourage that sort of thing.

The private sector can get involved in helping deal with those kinds of things, but adjunct to the housing problem, not as an independent structure of administration, I think it's better folded into the housing problem.

Mr. **Bartlett**. Thank you, Mr. Chairman.

Chairman **Gonzalez**. Thank you, and thank you very much, Father, and Mr. Smith. It will be very helpful if we have your prepared statements. Reverend Hammond's is in the record.

Mr. **Smith**. OK.

Mr. **Bryant**. At this time we'll call the next panel. First on that list is Ms. Ruby Jewell Crawford, president's council of Roseland Homes; Rev. Kenneth Hogg, chairman of the Western Regional National Tenants Association; councilman Ricardo Madrano, Dallas City councilperson; and Mr. Walter E. Travis of the Washington Street Mission.

I'd like to especially welcome Ms. Ruby Jewell Crawford, we're always had the opportunity to work with her in her capacity as president of resident's council here, and we'll recognize you at this time to make your statement.

Ms. **Crawford**. All right.

STATEMENT OF RUBY JEWELL CRAWFORD, PRESIDENT, RESIDENT'S COUNCIL OF ROSELAND HOMES

Ms. **Crawford**. Thank you, Congressman Bryant, Congressman Bartlett, and all the other staff on the committee.

I must say I'm glad we were counted down here because I've got some real excitement sitting back there listening to all the people come forth with their testimony, and a lot of it was my sentiments exactly, and I'm real excited about that. I've gotten hoarse.

But I want to also add that the paper that I'll be submitting to you today is not in its final form, it's not complete, and I will have an addition to it.

Mr. **Bryant**. The chairman has already stated, I believe, that the record will remain open for you to submit statements such as that one, and would urge you and all the witnesses since it's getting late in the day to summarize your statement.

Ms. **Crawford**. I'm going to try my very best to do that.

But, first of all, what I'm going to do is I'd like to speak to the 30 percent that came down on us in 1981, was enacted by Congress. And it was at a time when the economy and the rate of inflation was extremely high. And being low-income people, as many of us are that live in public housing, it was a burden and a hardship, and still is. And we were asking that in my handout I quoted chapter 7 of the rent computation of the HUD regs, section 8, that Congress provided the Public Housing Tenantship pay as contract rent, the highest of the following amount rounded to the nearest dollar; One, 30 percent of the family's monthly adjusted. And I want to underline adjusted.

Monthly 30 percent of the family's monthly adjusted income.

Two, 10 percent of the family's monthly total income or if they're on welfare receiving payments and a certain portion of that money is designated by the agency that would also be taken.

Well, in view of this, what we'd like to ask is that in your proposal that you submit that either—if you can decrease the 30 percent to 25 percent, or give us a ceiling that we can live with. They took the ceiling out.

When we had the ceiling we were paying for five-bedroom size. If you would do a survey with the housing authority you will find that many of our residents work but they don't earn—some of them $3.35 starting minimum wage, and after they've been there a while at most is $5. When you've got children to take care of.

Another thing I want to add to that is there's a statement in here about the exclusion of moneys that is not included in our rent. The money that is excluded from it which are—this chapter 7 of your rent procedures, section JR, article 5, that currently a computer family will come for the purpose of determining monthly rents the following income is excluded, temporary income which includes the following:

Irregular rents, which are reimbursements of the cost of illness, or medical care, lump sum additions to family assets, such as inheritance and insurance payments, capital gains settlements, and personal property losses, workmens' comp, relocation payment, value or coupon allotment for food stamps, and payments received if you're in another type Public Assistance Program.

But it does not speak to minor's income. Many of our residents are single family heads of house. We've got children where one parent is deceased and they receive Social Security, or SSI if they're handicapped. Well, that money is being included in the computation of rent.

Now, the housing authority, which it was a time that was supposed to have been excluded, I don't know if that has been amended or not, but it is posing—it brings about a problem with evictions because I had a resident that her child was receiving it, and she was under the impression—in some of the programs they tell you.

Now, the Veterans' Administration will tell you that the money that the child receives is not to be used for rent. It's to take care of the child.

OK, some parents receive Social Security for their children from their deceased parent, and they feel that's the child's money, but when rent is computed by families, when you come to management of, they include it in the—they make no discretion whether or not that child—the money that is received is for a minor child, or whether it's for a disabled or handicapped adult.

Now, there was a time when it was excluded. I don't think it is anymore. We're being told also that even lump sum payments are being included, which is a one time payment. It's not something that's coming to a resident on a regular basis. It's a one time payment, a settlement on insurance.

We were told in a meeting that if we got ourselves—that they could include that and count it as income also.

We are also being taxed if we manage to make a sacrifice and save $2 and $3 here and accumulate maybe $100 over a year. We've got to pay tax on that savings. Not only that, the housing authority also will include the dividends for that saving as income.

So you talk about being boxed in, and locked in, and can't get out. I mean, everywhere you turn we're boxed in no matter what you try. There are people that want to work, but this first day work procedure that the housing authority has now, it is discouraging people from working. There are people that want to work, can't find permanent work, but they accept temporary work, and the housing authority is telling temps—I know for a fact—that if you work 2 days out of a month you're going to be charged a month's rent.

I mean, I don't understand, the residents don't understand, we don't understand. We're asking the Congress to take these kinds of burdens and hardships off us and allow us the chance to function where we can get out. Many want out. But with these kinds of things there are so many——

I know that some of the rules are mandated by HUD, and I know that you give the housing authority discretion to make some of their own policies. I understand that too. But many of the policies that the Congress enact it comes down through HUD and goes to DHA. DHA interprets it and it never gets to the tenant, not to the point where we understand what is happening to us, or what is going on, especially elderly residents. When they go to the management office they're told to come in; they give them all their information. The Housing Urban Renewal Recovery Act, this is something new that was enacted in 1983, and alone poses a burden and a hardship on our elderly. It has caused elderly residents rent payments to increase as much as three times in 1 year. When they got the cost-of-living increase Congress was debating whether to take it or leave them with it. Well, when they get it it goes right to the housing authority. The majority of people don't see it, especially the elderly.

And what I'm finding and experiencing is that our elderly residents are having to do—during these times when increases come—I'm trying to get to the heart of what the resident experiences from laws that are enacted by Congress, when it gets down to us residents they have high utilities, they are mostly—majority are on fixed incomes, they have a light bill, they've got that increase in their rent, they make even some of them have a back charge.

And they get scared because they are not going to miss paying rent.

Dallas Housing Authority will tell you our elderly pay rent. They will trade food for rent. I've gone to them and talked to them. If they get a light bill, or get an increase in their rent, or a back rent charge, nothing you say is going to change their minds. It takes their whole check, but they're going to pay it, and worry about where they're going to get food is something else later.

I think that is totally unfair to place that type of burden on our elderly I work with on a daily basis. They are afraid to even—come and even ask a question. No, they'll still pay it and I've got to pay it. They won't even come try to find out why it's gone up. They just tell me, well, my rent went up again, you know. And then I try to look into it and try to explain.

And it upsets them because many of them are sick. I'm real concerned about the elderly especially.

And really wish that Congress would relook at that and amend that amendment that was made to that because it is a burden and it's a hardship.

Back here about 4 or 5 months ago we had deaths on a regular basis. Now, I'm not saying that—I don't know what contributed to it, but I felt like it might have helped because they are scared to death most of them, and they don't have anyone. They come up here—they already have so much paperwork to do they don't have time to really be—time to really explain it and go into it in depth, which is a resident's right to understand what is going on when they come, but most of them they don't want to bother these people. They think that we're going to be too busy, transfer, and she asked for housing, and she didn't get it. And I told her—I talked to her—she said, "No, don't you go up there and talk to those people. I don't want to get in no trouble. They'll put me out."

But, you know, this is the way they think, so they go ahead and they take——

Also, temporary work. Please, whatever you do in these laws and legislation that you enact, temporary work allows residents to work. Sometimes temporary work is all the work that they could get. It may be for 3 months, or 3 weeks, or 4 weeks, or 2 months, but at least it's something that they work, and they earn, and they take pride in because they have a desire to work, and they are willing to work.

I personally have been looking for a job for one solid year, and I go regularly. Leave resumes, I go to employment offices. Jobs are really not that easy to find because there are so many people out there looking.

But if a person accepts a temporary job most people that could won't because if they work—say they're not working for 3 weeks they're going to be afraid because they've got to come up here and report it, and I've got 3 weeks worth of work and DHA wants a month worth of that. You work 2 days and they want computer rent for a month. Then you end up with back rent payment charges.

I mean, we are in a dilemma here. We are in a situation that's crucial, and it's critical. I'm serious. It's critical.

And however long it would have taken to be here today to tell you, I'll tell you. Allow us to work temporarily. But to charge rent on temporary work is just not even realistic at all.

Another thing, temporary income. Now, we have examples where residents go without any income whatsoever. They lose their job, or their sister's check gets cut, or something. They have nothing. They get on temporary rent, provisional rent for a time, but they have to come every 30 days to let you know that this is where they are. You got so much on your mind, you're going through surviving, you might forget. If you forget you get evicted. You get evicted if you forget to come up here within that 30-day period.

I mean it's getting to the point where living in public housing—I don't know if it's a conspiracy to get rid of us, but at the rate they're going now people are moving, they are going. Whether they are able to go or not they just can't stand the pressure. Some of them are not able, but they're going anyway. And if that don't send them, then evictions will. They will get evicted for a $10 yard charge, any number of things you can get evicted for now.

People are going to court all the time, every day, nothing to be done. The grievance procedure has gotten to the point where it's informal now. We were better off when we had a formal grievance. We felt that we were dealt with more fairly, but when you make an informal grievance procedure what you get is a DHA staff and that resident sitting there, and whatever they say, and they will tell you "I want this money Monday, Tuesday, or Wednesday," and know there's no way to get it.

Another thing I want to call your attention to is agencies and churches in the city of Dallas that have been wonderful, and helped many residents here at Roseland, helped them from getting evicted because they went out to their people that supported them and they got these moneys, and they wrote these checks, and they gave it to the housing authority, and after they paid the money to keep them from getting evicted—we've got agencies right here that will substantiate what I'm saying—Family Guidance over there, and others, the Mission, and other churches around in the city, Catholic Charities, and different ones, the Brady Center.

And what they do, you listen to me good, they take that money, put it on their books, and then they credit that tenant's account. When they know that tenant was going to get a credit anyway. I think that is exploitation of churches, of agencies, and it is wrong. There needs to be a time limit given a person. There is a situation where sometimes we're human beings and extenuating circumstances do come up on us and we get in binds like that. And something needs to be built into that to take into consideration.

Now, I'm not talking about a person that never paid any rent, that's late, always behind. I'm not talking about that. I'm talking about people that have records of paying their rent. Now it's gotten to the point it doesn't really matter. We want that money or out you go. It doesn't matter the circumstance.

Some people have the money and they will not accept it, and that's the reason why these people ended up with so many homeless folk. That helps to create that.

Also—I know you all are in a hurry, but I've waited all this time, so please.

Mr. **Bryant**. We do need to get on.

Ms. **Crawford**. Back rent charge. Wait a minute. Everything has been said here today but what residents feel, and I think that we have a right to be heard. You all have heard everything everybody said about you, we need the housing, and the fair markets, and everybody has spoken, but I'm trying to give it to you where it hits us, when it comes to the residents. We are the ones that suffer, and I'm just going to ask all of you to please bear with me because I have waited. I made a sacrifice to stay here all day long, and I want to do this.

Mr. BRYANT. Ms. Crawford, we're going to hear you for sure, but we're also going to be asking questions of you which will give you a chance to bring some of this out when we ask questions as well.

Ms. CRAWFORD. Well, even if I don't get to talk on it, let me just go down the list and then I'll send mine in.

The back rent charges. There needs to be a limit set on how far back they go. The housing authority is going back 50 years collecting back rent charges on residents. In 6 months this place will be empty.

Let me go on. Credits. Ms. Wooten brought that up, if you will remember that, what she said about the allotment we get if we don't go over in 4 or 5 months, then when the high time comes that we'll be able for consideration.

I got one more thing. I've been working with resident council here in Roseland Homes for several years. This is my seventh year and I'm fit to go out. But we try to put on activities and things that we can provide here in the community, for the entire community but it is awfully hard to do this. We get $3 per occupied unit in 1985. Certainly you don't expect for us to do a whole lot of providing and putting on things for our committee.

We have the assistance of Hyde Park Church, which is a great asset to this community, the United Christian Church, and Family Guidance, and Presbyterian Mission. It really comes through when we need them. But that's nice, and we appreciate that, but if we could do more for ourselves this is what we want to do. We'd be much abler to do that if they would increase——

I'm surprized nobody has asked for an increase of occupied units up until this time, but $3 per occupied unit. If you wanted to put on a Christmas dinner here—in Roseland we have 611 occupied units with 3, 4, to 5 people in each unit. How could you put on a function and be fair about it? It would take all of this in one function. Three dollars an occupied unit.

So I also want the Congress to consider that. But I thank you for the time that we have taken, that we have been here, that you have allowed me to go. But I will be submitting mine to you, some additional information along with this in its final form.

[An addendum to Ms. Crawford's statement follows:]

An addendum submitted by Roseland Homes

I. Under Chapter VII, Rent Computation Procedure, Section A, it is stated that:

> "With the enactment of the Housing and Community Development Amendments of 1981, Congress provided that public housing tenants shall pay as contract rent the highest of the following amounts, rounded to the nearest dollar:
>
> 1. Thirty percent of the family's monthly adjusted income;
>
> 2. Ten percent of the family's monthly income; or,
>
> 3. If the family is receiving welfare payments and a part of such payments is specifically designated by the agency to meet the family's housing costs, the portion of the payment which is so designated."

QUESTION:

Does DHA compute all rent payments on the basis of 30% of the family's gross income?

II. Under Chapter VII, Rent Computation Procedure, Section E, it is stated that:

> "Those tenants living in public housing prior to August 1, 1982, must pay the greater of 10 percent of total family income or:
>
> 1. Twenty-seven percent of family income upon recertification between October 1, 1982, and September 30, 1983;
>
> 2. Twenty-eight percent of family income upon recertification between October 1, 1983, and September 30, 1984;
>
> 3. Twenty-nine percent of family income upon recertification between October 1, 1984, and September 30, 1985; and,

4. Thirty percent of family income upon recertification between October 1, 1985."

QUESTION:

Since 30% of any income is greater than 10%, who is able to have their rent computed at 10%?

III. Under Chapter VII, Rent Computation Procedure, Section J, Article 4, it is stated that:

> "The Housing and Urban-Rural Recovery Act of 1983 changes the income to be excluded in determining adjusted income...Under the 1983 amendments, the following income is to be excluded:
>
> a. $480.00 for each member of the family residing in the household (Other than the head of the household or his spouse) who is under 18 years of age or who is 18 years of age or older and is disabled or handicapped or a full-time student.

QUESTION:

Do families in DHA have to report and subsequently pay for children who are under the age of 18 or older and are disabled or handicapped? Does DHA include all children in their computation regardless of these restrictions?

IV. Under Chapter VII, Rent Computation Procedure, Section J, Article 5, it is stated that:

> "Currently, in computing family income for the purpose of determining monthly rent, the following income is excluded:
>
> g. Temporary income, which includes the following income:
>
> i. Irregular gifts which are reimbursement of the cost of illness or medical care.
>
> ii. Lump-sum additions to family assets such as inheritances, insurance payments, capital gains, settlements

for personal or property losses and workmen's compensation.

iii. Relocation payments.

iv. Value or coupon allotment for food stamps.

v. Payments received by participants in other publicly assisted programs as reimbursement for out-of-pocket expense incurred."

QUESTION:

Because many of the jobs that residents obtain quite often or short lived (many terminated before probationary period ends) can a probationary clause be exercised before rent is computated on the bases of this employment?

GENERAL QUESTIONS:

V. Why do residents have to present a notarized statement to the manager when a household member moves out? In the past, it was acceptable to go to the office and just state the person had moved.

VI. Under the Housing Urban Renewal Recovery Act a new rent computation scale is introduced, how does this effect residents?

In many instances, the adjusted income for the elderly is higher than raises received through Social Security, what causes this situation?

VII. Under lease renewals the normal wear and tear is too vague and does not take into consideration the deterioration of sub-standard building materials.

Why are residents charged with the replacement of quality materials when inferior materials are used?

VIII. Management needs to be more sensitive to the needs of residents especially the elderly.

Why is there is no trianing program on human relations made available to managers and other personnel that must interface with residents?

IX. Evictions should be monitored by HUD. If public housing is the only means for many low and lower-income families to obtain housing, where can residents go after eviction? (This does not apply to the mentally ill, or criminally active residents that often obtain public housing.)

Mr. **Bryant**. Thank you very much.

Reverend Hogg.

STATEMENT OF REV. KENNETH HOGG, CHAIRMAN, WESTERN REGIONAL NATIONAL TENANTS

Mr. **Hogg**. Thank you, Congressman Bryant, Congressman Bartlett. I am Rev. Kenneth Hogg of the Western Regional National Tenant chairman, and also the secretary of the board of George Loving Tenant Council in West Dallas.

Residents of public housing have a range of socioeconomic needs, and some of those needs are adequate social service programs.

The programs in the housing authority should be set up to work for a lease, a 5-year period. Programs should include training for public housing, HUD, and local tenant organization personnel instead of social service.

Programs should be used as a demonstration to find ways to merge in one Federal funding source to deliver a Federal programs that currently exist in the Department of Housing and Urban Development, HUD, and the Department of Labor, and Department of Commerce, and Interior.

The current regulation restriction too much paperwork and burden on housing authority agencies to provide decent, say, and adequate social service programs to residents.

We also feel that social service funds for public housing authority should be patterned after success of community development and block grants. Programs should encourage more local and less Federal control.

The programs should target to benefit the public housing residents and a greater need by focusing on multiple problems, and one of the explanations, the resident was inadquate in his belief that social service is not really producing the needs that is really needed by residents in public housing.

For example, you have handicapped people, and people with special problems that need to be dealt with.

We also would like to see you to determine—they need to determine the service that is really needed in a public housing by doing a need assessment, or whatever, needed by working with the tenant organization, as well as to utilize the resource that is available throughout the community.

I will submit the presentation. The reporter has a copy of the presentation.

Mr. **Bryant**. Thank you, Reverend Hogg.

[The prepared statement of Reverend Hogg follows:]

TO: Members of Board D.H.A. Staff, Resident Council Presidents

FROM: Kenneth Hogg, Western Regional National Tenant Chairman

Residents of Public Housing have a range of social, economic,and psychological needs. Many residents recognized that there is a urgent need for adequate social service programs for Public Housing. Residents have recommended that D.H.A. adopt programs that will accomplish the following:

A. The program should be set up to work over a longer, more predictable term for at least five (5) years.

B. The program should include training of Public Housing Authorities Hud, and local resident council organizations personnel in social services programming and administration.

C. The Program should be used as a demonstration to find ways to merge into one federal funding source the diverse federal programs that currently exist in the Dept. of Hud, Health Human Service, Labor, Commerce, transportation, and interior.

D. The current regulatory restrictions and paperwork burdens on social services programs, which tend to impede local efforts, should be reduced dramatically.

E. Social Services funding for Public Housing Authority should be patterned after the successful community development Block Grant. Program to encourage more local discretion less federal control.

F. The Program should target its benefits to Public Housing residents in greatest need by focusing on multi-problem projects.

G. The Program must encourage PHA and local tenant organizations to leverage the investment of other Public and Private funds, services and inkind contributions to support their community service programs.

In the development of social services programs at the PHA level, there shall be Negotiation and agreement between the PHA the tenant organization as to the priorities and the budget.

Explanation:
The Resident Council was unanimous in its belief that adequate social services are essential to the Public Housing Programs and that current funding of these programs is completely inadequate. Thus we urge that D.H.A. make a greater effort in this area and seek more funds to accomplish the objectives setout above. Also George Loving Resident Council recommended six (6) overall goals for social service or resident service.:

1. To enable you to determine service needs within a development.

2. To enable you to locate and effectively utilize community resources to help meet such needs.

3. To enable you to develop program strategies to meet needs which cannot be met by outside resources.

4. To enable you to evaluate the effectiveness of service programs.

5. To enable you to obtain funds for service programs and

6. To enable you to supervise social service workers.

To enable you to evaluate the effectiveness of service programs learning objectives.

1. You will name three qualities of a good evaluation.
2. You will cite four categories of evaluation anticipated practice outcomes.
    1. You will critique and make three suggestions for improving an evaluation of a hypothetical housing authority's service program.
    2. You will examine a hypothetical evaluation and identity if it evaluated, efforts performance adequacy, efficiency and procss.

Good evaluations should:

1. Identify goals/objectives to be evaluated.
2. Measure the degree of change which results from program activity.
3. Determine the cause of observed changes, and
4. Indicate the durability of effects.

Evaluations can be categorized according to the type of program effects they attempt to measure.

1. Effort. Evaluations look at the quantity and quality of activity, assessing the input of energy rather than output.
2. Performance. Evaluations measure the results of effort rather than the effort itself. They look at amounts of services given rather than attempts to serve.
3. Adequacy evaluation measures how adequate performance is relative to total need. Although intensive programs are often highly successful with small numbers of clients, they are thoroughly inadequate for meeting total need.
4. Efficiency. Evaluations look at cost and benefits and attempt to determine if there are less costly ways of meeting objectives.
5. Process evaluation look at the whys and therefores of Program success in an attempt to make sense of program results a good program evaluation will include all five (5) types. Indicate whether the following evaluative statements address effort, performance, adequacy, efficiency, or process.

______ 1. The visiting nurse treated eighty five (85) residents last month. Nine (9) residents needed to see her, but she did not have enough time on their schedule.

______ 2. Three hundred (300) pamphlets were distributed on forming a food Co.-op.

______ 3. Volunteers drove five (5) residents to the doctor last week.

______ 4. Ten (10) residents replied to the pamphlets on forming a food Co.-op.

______ 5. The Nutrition aide visited ten (10) families.

______ 6. Meals were delivered to the homes of all residents over 65 many were able to cook for themselves, however.

______ 7. The information and referral worker made five (5) referrals yesterday.

______ 8. The security program was particularly effective because of the high level of interest on the part of residents.

______ 9. The food stamp worker processed applications for ten (10) eligible families on Tuesday. They will begin receiving stamps in two weeks.

How long agencies   50th year   29 year
Parkland
Social Service indicator
Study survey
The health services and facilities are fair.
Several health clinics were closed, two years ago due to budget cuts.
The existing clinics are usually overcrowded.
There are not enough child care centers and they are expensive given the incomes of the residents. Most families resort to using small children for babysitters. The following service gaps were identified:

Emergency room
Drug/alcohol abuse, treatment centers family and domestic violence and rape crisis centers.

Mr. BRYANT. Councilman Medrano.

STATEMENT OF RICARDO MEDRANO, DALLAS CITY COUNCILPERSON

Mr. MEDRANO. Thank you, Congressman Bryant, Congressman Bartlett.

Everybody has mentioned everything I wanted to say and I practically agree with everybody that has spoken here. I'd like to just go over some things.

I'd like to urge this committee to push for a legislation that will increase the low-income housing stock in the United States. We must provide additional moneys to renovate existing public housing units, as well as build additional public housing units.

This must be done in tandem with the Section 8 Housing Program allowing residents greater freedom to choose where they live.

I can personally attest to the effectiveness of the section 8 program as I am a participating landlord, so long as close supervision is provided to avoid slum landlord exploitation of these low income tenants.

One way to assist the Dallas Housing Authority with being able to provide better service to their residents is to relieve some of their financial burden. This committee can assist and encourage cities to maintain easements and public rights-of-way which are now shouldered by the housing authority. This assistance will alleviate some of their economic burden.

And we're talking about the streets, especially like the big project in West Dallas, most of those streets are obviously private streets. They're in bad deteriorating circumstances, and we need to upgrade them. So if the city were to maintain them by the drainage system, upgrade the sidewalks, pay for the security lighting that's out there, that would put—relieve some of that burden from DHA, and that way they could put more money into renovating their housing units out there.

We also need to provide strict monitoring over apartment builders which build units with Federal assistance. If a private contractor builds public—if a private contractor builds with public monies, and provides set-asides for low income people, we must assure that these set-asides are inhabited equatably.

If set-asides are in North Dallas, as an example, we should not just find Anglos living there, but also blacks and Hispanics as well.

Further, when public housing tenants receive an increase in income, a subsequent increase in—they usually obviously increase their rent, should occur gradually, and I believe Congressman Bartlett mentioned that the committee is looking at maybe a gradual kind of increase over a 6-month period. I personally prefer a year, but obviously that's not probably being realistic, and so forth, knowing how the Congress works, and so forth. But I know that the committee will come up with at least a compromise.

Finally, this committee should work toward increasing the limit on fair market rent, to increase the availability of homes for section 8 housing. Too many times low income residents are locked out of neighborhoods because you cannot find two- or three-bedroom homes for $450, which you—it includes the bills.

But, again, I think that this committee is doing a fine job. Obviously I read the congressional records, and listen to CNN News, and some of the special stations that carry what's going on in the Congress. I know that this committee will do its job and hopefully come up with some of the recommendations some of the residents have spoken to us about today, and some of the ministers, and I just can't believe that the suggestions that have come out here today, and I really concur.

Mr. Bryant. Thank you, Mr. Medrano.

Mr. Walter Travis of Washington Street Mission.

STATEMENT OF WALTER E. TRAVIS, WASHINGTON STREET MISSION

Mr. Travis. First, let me say I'd like to thank you for the opportunity, and I'll move on from there. John, I know you and Steve, because time is precious.

But let me just say this. I've turned over to you a copy of the Dallas Community Religion Commission study on where have all the poor people gone. And I'm going to summarize that, but also want to——

I stayed in Roseland Homes for 20 years of my life. I've served as a commissioner on the housing authority for 5 years, and they have let me remain in the area as a social worker for 18 years.

And so I'm trying to summarize where have all the poor people gone, and then for about 2 or 3 minutes give some of my personal opinions.

The study will show that Anglos who make less than $10,000 live throughout Dallas County; 341 people live in the Hillcrest area, and 698 live in the White Rock area. They live in the luxury section 8, or either the 221(d)(3) or (d)(4) apartments that comes with subsidy.

The other thing that I want to lift out is that in a development of building low income, or either section 8 apartments, the only thing that they have to do for HUD requirement is advertisement to put in the paper or on the news that they're setting aside so many units for the low income.

Now, so much for the where have all the poor people gone, but along with that I wish, I really wish, some of the agencies would have stayed also because some of the attitudes—and my last 3 minutes will be on attitude that you can legislate.

First of all, from a State level, our State of Texas that's going to set up this great event in January is one of the four States in the United States that does not even have a fair housing law period. Most large States, or even some smaller States, have a housing law with a housing agency to enforce it.

So that's the first attitude. And that attitude lends itself to trickle down to the county and the cities, such as one of the problems most of the people have thought at HUD, some jump on poor Jack in the housing authority, and that's my suggestion.

But the real problem with public housing in this city has to do with the insensitivity and the grotesque attitudes of the males from 1940 up until 1976.

Now, that's a harsh statement, but let's look at that statement, and you can legislate some of the things I'm sitting here saying.

In 30 years, from 1940 to about 1976, males appointed board of commissioners who refuse over $30 million of maintenance and security money—hear me—security money could have been brought to this area some 10 or 15 years ago. We didn't need community development money. That was always—New York has always got direct funding from HUD for their security, and they're the fourth largest police program in the country.

No. 2, on Washington Place—there's been so much on Washington Place—I even lost my chairmanship by being one of the commissioners who was against selling Washington Place, but just briefly. On Washington Place the city council, and the housing authority, went on and voted to sell the Washington Place. At the same time, the city was violating and wasn't in compliance with the HAP, the housing assistance plan.

Attitude. Remember now, the mayor of any city sets the tone of a city. That same mayor, as Ms. Wooten stated earlier, was serving as the chairman of the hospital that was going to buy the property from the housing authority.

The last thing on the attitudes of the mayor is that remember the deal was supposed to be—Mr. Herrington said he would take $10 million to replace those units. Lots of people got hurt, or misplaced in HUD, because they fought for $9 million to be sold, and I have learned that the final plan was something like $6 million that the hospital paid for it, 5 years with no interest. No agency, no nonprofit, nobody borrows money for 5 years with no interest. That's injustice.

So, what I'm saying is the attitude of the State, not having a fair housing law, the city of Dallas. Our system is what the mayor approaches the commission.

Finally, the gentleman earlier from the STEP Foundation spoke so eloquent about STEP. And what he said about the rent and so forth was correct. But I disagree.

If you don't hear nothing else that I'm saying now, hear this. I've been living in public housing for 20 years, a commissioner, and the residents let me work here for 18 years, please hear this.

Every social program that we have is a blessing from God and from Congress. With the AFDC, food stamps, those programs do not box people in or injure their life. Proof. We have in our report that poor whites live all over Dallas. Those same—they're on food stamps. They are on AFDC. They are not locked into public housing. Those programs do not lock people in, it's the racist people who administer those programs lock people in.

So I'm for all programs. Don't cut nothing, food stamps, or none of it. Programs don't lock people in. What hurt the public housing project, and this is Congress' fault, in 1972 Senator Brooks, Republican black Senator, he came up with the idea of the same—he wanted all street people in public housing. Senator Brooks wanted all poor folks in public housing, so we had what we call the Brook amendment. But Congress promised that public housing would accept all the poor people. They would make up the difference in the funding and Congress hasn't come across with that money yet.

So even Congress' attitude toward you did away with the Brook amendment and you've been increased from 25 to up to 30 percent. When I was a commissioner we violated or broke whatever laws that there were. We have already owned books. Once a person comes in for recertification, whatever they made wouldn't be changed until their next recertification time. I don't care if they become millionaires, they wouldn't get it.

Finally, HUD officials, whether they're black, white, or Jewish, or whatever color, from whatever level they work, made it very clear in the morning news report that what else is new. We was aware that all this was going on about the racism, the discrimination, other problems. That's almost like saying I know your father is having sex with you, but since you've been called up through the school system, what else is new.

So I feel when HUD can proudly say what else is new—in 1962 President Kennedy ordered an Executive Order 11063, banning all racism in public housing. Senator Brooks stood up on the floor and said "if it wasn't for something written on paper we wouldn't even believe there was a civil rights bill passed."

And he conferred to public housing as Apartheid. That there's no question that wherever black people stay in public housing, or brown people, there has been less maintenance, less security, than the white. Even in that instance it's an attitude. Segregate us, but do us right.

Now, my two recommendations to you is once again a Republican Congress, Senator William Armstrong, he had a bill before Congress, bill 1590, and this bill required that before any housing authority would receive any funds from HUD to operate they would show that, one, they have affirmative action; two, they would support voter commissioners with residents serving; three, a real—procedure, and I hope when you go back you look into Senator William Armstrong's policy.

And also in your hands I've given you a copy of Texas Legislative Council, April 23, 1971. This is where we have asked at that time Senator McKool. We asked him to finally end every male from 1942 up until 1976, had said that if a resident served on public housing they were in conflict of interest. Every male could get their city attorney to interpret State law to say that it was a conflict of interest when we was holding in our hands where according to the Texas constitution, and the statute that the housing authority agreed upon, that if a resident served upon public housing it clearly says they are not in conflict of interest.

I thank you.

[The studies "Fair Housing in Dallas" and "Where Have All the Poor People Gone?" and the letter from Nancy E. Sutton to Senator McKool follows:]

DRAFT

"NOT FOR DISTRIBUTION"

FAIR HOUSING IN DALLAS

A Synopsis of Activities
Observing "Fair Housing Month"
In Dallas

Sponsored by:
The Greater Dallas Community
Relations Commission

Gary Hoffman
Chairman of the Board

Beverly K. Mitchell, Ph.D.
Executive Director

Walter Travis, Chairman
Housing Committee

Constance Jones-Worrell
Committee Coordinator

The Greater Dallas Community Relations Commission, through the efforts of its Housing Committee, took the lead in promoting and developing programs for April which had been declared "Fair Housing Month" by Congress. On April 17th, the Commission hosted "Townhall On Low-Income Housing" at Dallas City Hall. The goal of this program was to make public those housing programs and opportunities that low and lower-income households may be able to take advantage of. On April 26th, the Commission hosted a "Workshop on Low-Income Housing". This program was designed to bring together all housing agencies and representatives (public and private) in conversation on the needs and availability of low income housing.

The Commission realizes that a comprehensive approach to "Fair Housing" will have to be done through the cooperation and efforts of the private housing sector as well as the public. In this realization, the Commission proposes that the fair and equitable treatment of all individuals will have to be of priority, if we are to adequately house low and moderate income households.

The following pages give further explanation and definition of the programs presented by the Commission. Recommendations and concerns were presented by agency representatives taking part in the programming.

PART I

TOWNHALL ON
LOW-INCOME HOUSING

OFFICE OF THE MAYOR/CITY OF DALLAS

Proclamation

WHEREAS, providing a decent home and a suitable living environment for every family has long been a dream that urban communities continue to strive for; and

WHEREAS, that dream has not yet been realized for many of the economically deprived; and

WHEREAS, the Dallas community realizes that an increased availability of sound housing would enhance the quality of life for all Dallas residents; and

WHEREAS, The Greater Dallas Community Relations Commission recognizes the need to promote attitudes and practices that would improve access to housing such that Dallas may continue to grow as a City for all people; and

WHEREAS, The Greater Dallas Community Relations Commission and the City of Dallas are committed to the task of improving the quality of life for all residents.

NOW, THEREFORE, I, A. STARKE TAYLOR, JR., Mayor of the City of Dallas, do hereby proclaim the month of April to be observed as

FAIR HOUSING MONTH

in the City of Dallas.

A. Starke Taylor Jr.

Mayor, The City of Dallas

Activities began with "Townhall On Low Income Housing" on April 17th at City Hall. Over 100 participants turned out to learn of ways in which they could become homeowners. Representatives from local real estate agencies, the banking community, and governmental and private housing organizations were present to provide resource information on housing opportunities and programs.

An opening address was delivered via speakerphone by Congressman, Steve Bartlett who stated that Congress is addressing the need of adequate housing and is aware of the difficulties that many face when trying to secure low-income housing.

Ken Smith, City of Dallas Cable Communications, moderated a panel discussion between the community and John Wright, Department of Housing and Urban Development; Harry Jones, City of Dallas; Charles Hunter, Greater Dallas Housing Opportunity Center; John Fullenwilder, Common Ground; Joe Epps, First Texas Savings. Eeach panelist described the various programs that low-income citizens may take advantage of and how they could apply.

Presentations were made by Beverly Mitchell and Ricardo Medrano who defined popular myths and practices about housing minorities. They also pointed out how mis-conceptions and pre-conceived notions about the Black and Hispanic culture have prevented many families from securing adequate housing. Discussion moderator, Jewell Crawford, President of the Roseland Homes Resident Council reiterated the need for making affordable housing available to families who wish to leave public housing and enter the private sector. Dallas Morning News Reporter, George Rodrique told of the disparities, inequities, and racism that reporter Craig Flournoy and he had discovered while gathering information on low-income housing.

The evening's event ended with a Fair Housing Awarding being given to the Commission from John Wright, Regional Director of Housing and Urban Development. An award was also made to Committee Chairman, Walter Travis. Paritipants were given the opportunity to talk with resource people and gather information on available housing programs.

The Greater Dallas Community Relations Commission hosted a Workshop on Low-Income Housing to conclude Fair Housing Month activities in Dallas on Friday, April 26th at the Central Expressway Inn.

Present:

Emily Alpert; Dallas Inter-Tribal Center
JoAnn Brancato; Dallas Apartment Owner's Association
Michael Daniel; Dallas Tenant's Association
Mary Dews; Dallas Tenant's Association
LeRoy Haynes; Block Partnership
Jessica Jones; Salvation Army
Warren Jones; Dallas Urban League
Rona Lewis; City of Garland Neighborhood Services
Bill Nelson; Gay Alliance
Mary Ortega; The Family Place
Don Roy; Dallas Chamber of Commerce
Samuel Sally; City of Dallas Department of Neighborhood Services
Robert Sharp; Dallas Housing Authority
Ron Skopek; City of Dallas Community Development
Ersie A. Smith; Dallas Urban League
Bea Sutherland; League of Women Voters
Harrold Wasson; City of Dallas Department of Fair Housing
J. Frank Harris; Metro Housing Association
Dora Jackson; Roseland Homes Resident Council
Rose Barrett; Roseland Homes Resident Council
Bill Deaner; Dallas Morning News
Joe Allen; Greater Dallas Housing Opportunity Center
Betsy Julian; Private Attorney
Walter Travis; Greater Dallas Community Relations Commission - Presider
Constance Jones-Worrell; Community Relations Commission - Coordinator

The objective of the meeting was to bring all housing agencies together in conversation on how we can best house families and individuals whose income is less aht $12,000 annually. The Goal was to make a list of concerns that prohibits low-income families from finding adequate housing and determine those agencies that should be made alert and accountable for housing the poor.

The following issues and recommendations were made:

TOPIC I: CAN THE CITY OF DALLAS AFFORD TO HOUSE THOSE WHO HAVE INCOMES LESS THAN $12,000?

Concerns: Affordability

There is enough housing for everyone, however the existing housing stock costs much more than low-income families and individuals can afford.

Location

Minority neighborhoods are often far removed from the centers of business. Low-income minorities spend an excessive amount of time and sometimes money to travel back and forth between home and the job.

Supply

There is not enough housing available that low-income families can afford, outside of public housing.

Structural Standards

Housing Codes are not enforced in a manner to keep the housing stock replenished.

Housing Assistance

There is no "Long-Range Housing Plan" for Dallas.
Many families continue to be displaced because of economic development.
Public Attitudes still harbor mis-conceptions and mis-information about minorities.
There is a lack of information about housing assistance program in minority communities.

Employment

As long as minorities continue to make low salaries, they will never be in a position to afford adequate housing.

Resolution:

I. Long and Short Range Housing Plans need to be developed

II. There needs to be zoning tradeoffs for low-income families.

III. Citizens need to be educated in order to change attitudes, provide information, and offer counseling for hard to house individuals

IV. Intergovernmental Planning and Support should be organized with the involvement of all agencies both public and private.

V. Housing Receivorship Program
After a unit has become red-tagged by the City and the owner does not respond by making necessary repairs, the property should be converted to the City for repair and sale at a low cost.

VI. Organize a Workshop on Gentrification
Give specific attention to the injustices and illegalities of displacement, red-lining, and discrimination.

Lead Agencies:

The City of Dallas
  Housing & Neighborhood Services
  Planning and Development

Salvation Army

Dallas Housing Authority

Housing Finance Corp.

Housing and Economic Development Corporation

Housing & Urban Development

City Plan Commission

Common Ground

League of Women Voters

Urban League

Chambers of Commerce

Legal Services

Neighborhood Housing Services

Greater Dallas Board of Realtors

Dallas Tenants Association

Community Council of Greater Dallas

United Way

S.T.E.P.
Greater Dallas Community of Churches

175 Neighborhood Organizations

Dallas Apartment Owners Association

The Greater Dallas Community Relations Commission

TOPIC II. ARE HOUSING PROGRAMS SENSITIVE TO MINORITIES AND THE POOR?

Concerns: Programs

All Programs appear to be carrying out their duties for administering to low-income individuals, however, there is a lack of concern for the total individual.

There are those individuals (with mental disorders or physical limitations) who are hard to house and should not be considered for housing among the masses. Agencies should look to the needs of the individual and determine the appropriate housing situation (institutional or shared) that is best.

If the Dallas Housing Authority is the last resort for housing the poor, it should not be so quick to evict. After public housing, what?

The bond money for south Dallas requires money for downpayment and has set rather high criteria for acceptance. Low-income families (less than 12,000 annually) are excluded.

Resolutions:

I. Develop a Housing Referral Service

II. Remove "eviction" as a management tool from public housing

III. Publicize and disseminate relevant information about housing opportunities.

IV. Hold Agencies Accountable for their housing programs

V. Develop fairer geographical distribution of half-way houses and the like.

VI. Better implement and enforce the Fair Housing Ordinance

VII. Develop a "Last Resort" program and procedure

VIII. Establish a 24 hour housing hotline

IX. Develop a consortium of lead agencies to get city money for housing low-income individuals and families.

TOPIC III. WHAT CAN WE DO TO ENCOURAGE LEASING AGENTS, LENDERS, AND REALTORS TO BE FAIR AND EQUITABLE IN THEIR PRACTICES?

Concerns: Who is discriminated against?

People with children

Minorities - Blacks, Hispanics, Gays, and Poor people cannot move into certain neighborhoods.

Women - Divorced women with children are often excluded

Disabled persons are often discriminated against because of housing that excludes certain features to assist with special needs

Other practices that often exclude

Shelters and half-way houses are excluded from certain neighborhoods

When neighborhoods are upgraded, many poor people are displaced.

Resolutions:

I. Legal actions - citizens should be prompted to file lawsuits when they are discriminated against.

II. Use the media to keep the issue in the forefront.

III. Discrimination has to be against the law

IV. Change attitudes through education about stereotypical views of other cultures

V. Change behavior - Urge government officials to enforce Fair Housing Ordinances and Civil Rights Acts

PART III

SPECIAL PRESENTATION

MIKE DANIEL

Mike Daniel is a private attorney and volunteer for the Dallas Tenants Association. He has been active in addressing and striving to overcome acts of discrimination in housing. He has offered his services to individuals who feel that they have been denied housing because of race, color, sex, religion, social preference or national origin.

Mr. Daniel gave an overview of housing plans and attitudes showing the effects they have had on the cultural and social growth of many communities. He related that the problems of housing low-income families and individuals are more acute in minority neighborhoods. He pointed out that half-way houses, shelters for battered women and any other structure that may house those that are thought to be "undesirable" are always allocated for minority neighborhoods. Mr. Daniel expressed a need for all communities to share the burden of housing the poor and the homeless regardless of race.

Mr. Daniel further suggested that the Dallas community has used existing housing laws and ordinance in a manner that further segregates and polarizes the Dallas community. He stated that assisted housing promotes the building of attractive high-rise units for elderly Anglos while units in minority neighborhoods are generally sub-standard. Because of culturally biased attitudes, many elderly minorities are excluded form communities that feature adequate housing.

Daniel presentation (cont'd)

Mr. Daniel offered the following solutions to the need of adquately housing minorities and low-income families or individuals:

I. Increase the supply of affordable housing for low-income families or individuals.

II. Remove obstructions

    A. Race - all individuals should have access to affordable housing regardless of the community in which it is found.

    B. Segregation - stop perpetuating practices that limit housing programs and funds.

    C. Keep the issue of racial practices forefront.

    D. Referral agencies must push for fair housing practices.

    E. Pressure other housing institutions to uphold fair housing i.e. builders, real-estate agents and brokers, leasing agents, lending institutions, and landlords.

III. Dallas needs a fair housing organization

IV. Long-term Solution

De-institutionalize housing assistance programs

PRELIMINARY DRAFT (10-15-85)

WHERE HAVE ALL THE POOR PEOPLE GONE?

A preliminary working paper
for the Housing Committee of
the Greater Dallas Community
Relations Commission.

Walter Travis, Chairman
HOUSING COMMITTEE

Constance Jones-Worrell
COORDINATOR

Beverly K. Mitchell, Ph.D.
EXECUTIVE DIRECTOR

Gary Hoffman, Chairman
GREATER DALLAS COMMUNITY
RELATIONS COMMISSION

PREFACE

The following is a study conducted by the Housing Committee of the Greater Dallas Community Relations Commission. All figures have been taken from the 1980 U. S. Census Report to determine current housing trends and practices. The goal of the study is to assess what is neccessary to provide housing for families with income below the poverty level. This report reflects a comprehensive effort to describe actual housing conditions and identify to the general public the most critical issues that must be addressed.

OVERVIEW

Where have all the poor people gone? Do poor Anglos have the same housing problems that Blacks and Hispanics experience? Where do poor Anglos live? Why do so many poor Blacks live in public housing? These are a few questions that have come to the attention of members and staff of the Greater Dallas Community Relations Commission.

Figures extracted from the 1980 Census show there were 19,952 Black heads of households earning less than $10,000 annually and 19,622 Anglos making the same. Let us note at this point that figures for Hispanics may be deceiving and warrant separate discussion later in this report. At first glance, one might assume that housing is a critical concern for poor Anglos as well as poor Blacks. Statistical data indicates a dichotomy in housing practices involving Blacks and Anglos.

This report presents information that defines a housing community that many citizens fail to recognize or remedy. To address this problem, we must change a practice that has long been instituted in this society -- the practice of racism.

The Greater Dallas Community Relations Commission is dedicated to the belief that all people should be afforded the same opportunities to live and grow in a society that does not limit the hopes and aspirations of anyone. If Dallas is to continue to grow as a city for ALL people, it will be through the efforts of those willing to make changes in current practices.

> "Poor people pay for housing as a total effort, out of their food and out of the fabric of their lives together. The effects of the struggle are experienced without Sabbath and without holiday... Out of those who are reached, many are helped meagerly, subject to condidtions that may be relevant, irrelevant, or even self-defeating".
>
> Alvan L. Schorr, 1963
> URBANISM IN WORLD PERSPECTIVE

WHERE DO POOR PEOPLE LIVE?

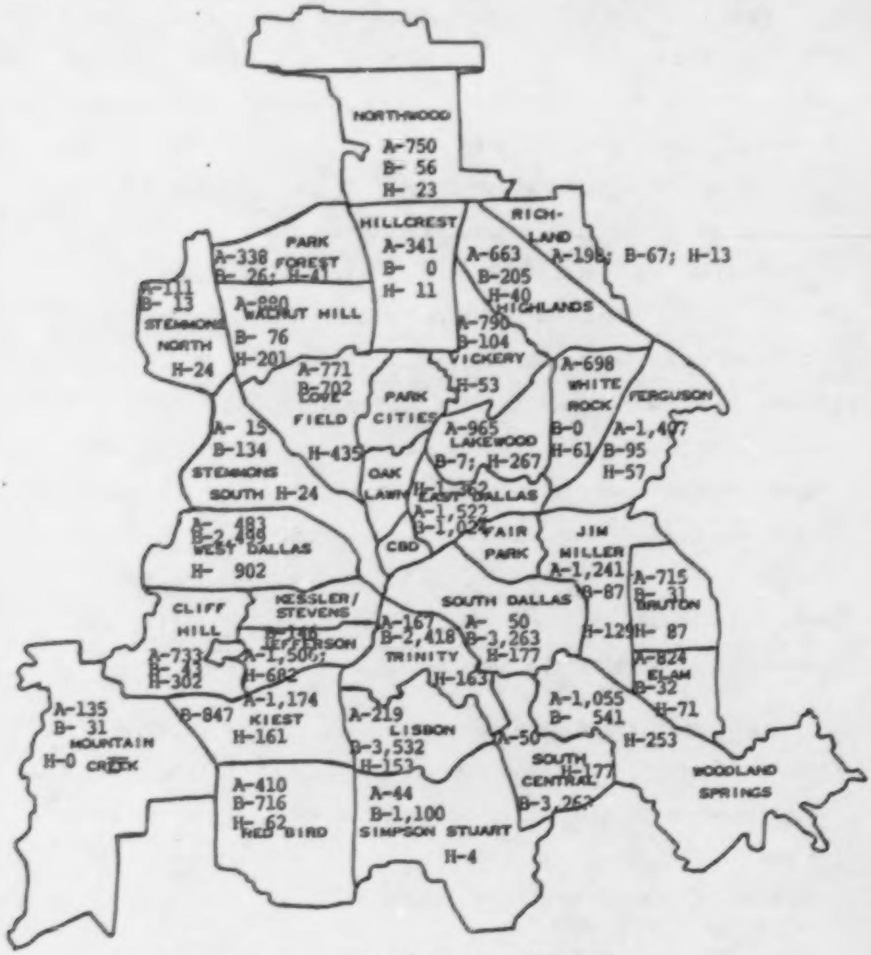
Many are able to live throughout the City. Figures from the 1980 Census indicate that Anglos making less than $10,000 (out-numbering Blacks and Hispanics) are able to live in every community, but Blacks are generally confined to specific areas of the City. The 1980 Census shows that in no communities do poor Anglos exceed 1,600 except in those communities that are predominately populated by Blacks. West Dallas, South Dallas, Trinity, Lisbon, and South Central all have populations of 2,400 and more Blacks who have incomes of less than $10,000. All of these communities fall in the southern portion of Dallas county. The 1980 Census report shows no Blacks with income of less than $10,000 living in the Hillcrest or White Rock communities. Yet 341 low-income Anglos live in Hillcrest and 698 low income Anglos live in White Rock. No low-income Hispanics live in the Mountain Creek community while 135 low-income Anglos live in the same area.

These statistics seem to indicate that Anglo families with annual incomes of less than $10,000 are capable of acquiring low-income housing in all Dallas communities. Low-income housing for Blacks and Hispanics, however, is limited in many of the same communities.

One stereotype is that Blacks, Hispanics, and other minority cultures tend to cluster when in fact, research shows that all ethnic groups cluster. The community with the largest ethnic population is Northwood, located in North Dallas with a total of 52,795 Anglos living within its area.

WHERE DO POOR PEOPLE LIVE?

(Families with income less than $10,000)


NORTHWOOD
A-750
B- 56
H- 23
HILLCREST
A-341
B- 0
H- 11
RICH-LAND
A-198; B-67; H-13
PARK FOREST
A-338
B- 26; H-41
A-111
B- 13
STEMMONS NORTH
H-24
A-880
WALNUT HILL
B- 76
H-201
A-663
B-205
H-40
HIGHLANDS
A-790
B-104
VICKERY
H-53
A-771
B-702
LOVE FIELD
H-435
PARK CITIES
A-698
WHITE ROCK
B-0
H-61
FERGUSON
A-1,407
B-95
H-57
A- 15
B-134
STEMMONS SOUTH
H-24
A-965
LAKEWOOD
B-7; H-267
OAK LAWN
H-1,362
EAST DALLAS
A-1,522
B-1,024
A- 483
B-2,499
WEST DALLAS
H- 902
CBD
FAIR PARK
JIM MILLER
A-1,241
B-87
H-129
A-715
B- 31
BRUTON
H- 87
CLIFF HILL
A-733
B- 43
H-302
KESSLER/ STEVENS
B-146
JEFFERSON
A-1,506;
H-682
A-167
B-2,418
TRINITY
H-163
SOUTH DALLAS
A- 50
B-3,263
H-177
A-824
ELAM
B-32
H-71
A-135
B- 31
MOUNTAIN CREEK
H-0
B-847
A-1,174
KIEST
H-161
A-219
LISBON
B-3,532
H-153
A-50
SOUTH CENTRAL
H-177
B-3,262
A-1,055
B- 541
H-253
WOODLAND SPRINGS
A-410
B-716
H- 62
RED BIRD
A-44
B-1,100
SIMPSON STUART
H-4

Fair Park	Kessler	Oak Lawn
A- 136	A-887	A-360
B-1,314	B-381	B-200
H- 90	H-486	H-296

A - Anglos
B - Blacks
H - Hispanics

ECONOMICS AS A FACTOR

Is housing the poor a question of economics? This may be one of the factors contributing to the overall housing patterns of low-income families, since there is little difference in the number of low-income Blacks and Anglos. The dichotomy shown in housing patterns raises the question, is there a corresponding economic dichotomy? According to the 1980 Census, the answer is YES.

In every community throughout Dallas, Anglos made consistently more than Blacks and Hispanics. Out of the thirty-three (33) communities, only the following communities reported a median income where Black and Anglo families averaged almost the same amount of money:

Mountain Creek	Anglo	Black
Population	7,099	853
Income	$24,503	$24,261
Stemmons South		
Population	738	1,446
Income	$17,330	$18,052
Woodland Springs		
Population	13,512	8,370
Income	$17,252	$17,841
Bruton		
Population	15,220	1,944
Income	$22,399	$22,781

Only in Fair Park, Lisbon, and Simpson Stuart did Black families income average $1,000 or more higher than Anglo families.

In communities where the total number of Black families outnumbered Anglo families two to one, Anglo families averaged more income than Blacks.

	Anglo	Black
Red Bird		
Population	10,181	20,972
Income	$26,695	$22,843
South Central		
Population	125	862
Income	$22,781	$11,467
South Dallas		
Population	708	32,635
Income	$12,706	$10,457
Trinity		
Population	1,908	28,617
Income	$16,226	$14,546
West Dallas		
Population	4,834	17,796
Income	$14,784	$ 9,561

In 1940, the U. S. Housing Authority and the Social Security Board reviewed common areas of their programs. According to findings "....Inadequate housing is related to inadequate income with but few exceptions".

According to the 1980 Census, there are 19,941 Anglo families in the city averaging more than $50,000 compared to 750 Black families averaging the same. There are 20,518 Anglo families earning $35,000 to $49,000 compared to 3,222 Black families within the same income range. As the annual income declines, the number of minorities making less money increases and Anglo figures decrease.

This is one of the major factors why Blacks find it difficult to secure low to moderate home mortgage financing. The Census indicates that 128,432 homes are owned by Anglos while 35,621 homes are owned by Blacks, and 11,177 owned by Hispanics. One possible conclusion is Blacks and Hispanics make less, Therefore are unable to meet the criteria of many lending institutions.

Another factor contributing to Blacks' inability to purchase homes is that profitable centers of work are far removed from their neighborhoods. Many high paying blue collar jobs are inaccessible to Black communities. The heavily Black populated communities are in Southern Dallas and growing industry is in Northern Dallas. Anglos have an average of 24 minutes transportation to work (if they did not work at home), and 28.5 minutes average for Blacks commuting from the southern sector of the city. These percentages do not reflect the large numbers of Blacks who rely on public transportation to get to work. For these citizens, the average hours of travel to work is too long to consider employment in far North Dallas.

Another factor is property value (P.V.) What happens to the value of property in neighborhoods where 400 or more families of each ethnic group are present?

Tract No.	Neighborhood	Black P.V.	Homes Owned	Hispanic P.V.	Homes Owned	Anglo P.V.	Homes Owned
4.02	Love Field	10,000	1	38,000	120	44,600	278
005	Oak Lawn	22,500	2	32,500	11	47,900	80
6.01	Love Field	47,500	2	36,800	57	62,300	340
0008	East Dallas	22,900	13	27,300	154	30,400	236
0009	East Dallas	-0-	0	38,800	47	38,200	217
0014	East Dallas	175,000+	5	50,000	22	77,500	239
15.01	East Dallas	-0-	0	27,500	18	44,000	88
0020	Kessler	21,900	8	18,400	87	20,000	144
0026	Fair Park	24,900	169	20,000	44	21,300	161
0048	Jefferson	17,500	22	17,100	37	17,200	110
0054	Trinity	22,900	694	17,900	88	20,000	311
0056	Lisbon	19,400	657	16,600	85	15,200	250
0062	Kiest	30,600	160	30,200	69	34,100	806
63.01	Kiest	30,100	101	26,400	144	26,000	1,062
0064	Jefferson	27,500	6	25,400	282	26,000	1,015
0066	Kessler	-0-	0	24,100	75	26,600	381
0072	Walnut Hill	-0-	0	35,300	55	35,200	155
78.07	Highlands	158,300	26	123,800	31	134,200	2,589
78.08	Vickery	-0-	0	-0-	0	80,600	49
91.02	Jim Miller	36,300	167	30,900	89	29,600	1,621
93.03	Woodland Spngs.	24,900	203	15,100	172	13,500	354
98.01	Walnut Hill	76,300	5	68,100	33	66,100	336
0101	West Dallas	12,800	821	13,200	249	12,300	128
0107	Cliff Hill	37,500	77	28,800	216	26,900	961
0119	Bruton	36,800	221	36,100	112	33,600	717
136.01	Northwood	104,200	23	200,000	4	200,000+	381
192.01	Northwood	72,500	4	61,700	4	61,200	271

Note: Homes Owned = Homes that are owner occupied.

The preceeding chart reflects the buying trends as well as the value of homes. These property value figures must not be confused with the market or sale value. Those tracts that reflect -0- for an ethnic group indicate that no families of this particular group owned property but were present (400 or more) as renters.

Close review of the material reveals that in many instances the property value for Anglo owners was lower than the Hispanic or Black counterparts. It is our interpretation that the property value for Anglos did not decrease but increase with a higher market value being passed on to Blacks buying homes in these areas. In communitites where minorities have shown little interest in homeownership or Anglos have shown no interest in selling, the property value for Anglos has remained high.

Hispanics were able to buy into many of the neighborhoods without a significant increase in property values. Blacks, however, experienced as much as $11,300 increase in property value in some neighborhoods.

Why do so many poor Blacks live in public housing? The most frequent reason is that public housing provides the lowest rents than any other housing agency in the City. According to the Census and reflected in the Median Cost Table, Blacks consistently paid higher rents than any other group in tracts where more than 400 of each ethnic group were present. In some tracts, Black renters paid as much as $80 more than their Anglo or Hispanic counterparts .

Unless current rental practices change, public housing will remain heavily populated with Black families. Anglos do not have to live in public housing when low rental rates are provided in various parts of the community. Rental Assistance Programs in the private sector are more accessible to Anglo renters. Accoring to U.S. Department of Housing and Urban Development regulations, a private contractor may qualify for Section 8 funds for his development with only the promise to advertise in minority communities. H.U.D. does not have a program to follow up this promise and many contractors do no nomre than pass on the word to a few individuals in Black agencies. In most instances, the contractor does not advertise in Black newspapers or on Black radio stations. By the time the word is distributed to the Black community, the facility has been occupied by Anglos.

MEDIAN COST OF CONTRACT RENT

(Tracts where 400 or more of a specified racial group are present)

TRACT	4.01	4.02	0005	6.01	0008	0009	0014	15.01	0020	0043	0044	0048	0054	0056
Anglo	$238	$267	$253	$265	$222	$237	$235	$187	$178	$109	$219	$189	$133	$125
Hispanic	$149	$227	$242	$258	$202	$226	$247	$207	$188	$102	$183	$203	$131	$129
Black	$260	$256	$259	$269	$245	$252	$244	$209	$211	$ 73	$244	$215	$177	$161

TRACT	1162	0064	1168	0072	78.07	78.08	91.02	93.03	98.01	0101	0107	108.01	10802	111.02
Anglo	$228	$173	$250	$203	$275	$282	$215	$106	$306	$ 88	$226	$181	$260	$133
Hispanic	$218	$167	$227	$244	$286	$271	$228	$104	$303	$ 89	$202	$196	$229	$183
Black	$233	$232	$247	$270	$284	$272	$216	$210	$326	$ 86	$228	$211	$284	$215

TRACT	116.01	117	119	136.01	192.01
Anglo	$141	$195	$220	$310	$289
Hispanic	$156	$178	$271	$298	$303
Black	$198	$275	$296	$ 299	$311

* Note - The two instances where Blacks paid the lowest amount of rent were in Tracts #43 and #lol both where the largest public housing complexes are situated.

Number of tracts where Blacks paid the highest rent 24

Number of tracts where Anglos paid the highest rent 5

Number of tracts where Hispanics paid the highest rent 4

Number of tracts where Blacks paid the lowest rent * 2

Number of tracts where Anglos paid the lowest rent 12

Number of tracts where Hispanics paid the lowest rent 19

TEXAS LEGISLATIVE COUNCIL
P.O. Box 12128, Capitol Station
Austin, Texas 78711
Telephone: 512/475 2736

ROBERT L. JOHNSON
Executive Director

April 23, 1971

The Honorable Mike McKool
State Senator
Capitol Building, Room 333
Austin, Texas 78711

Dear Senator McKool:

At your request, we have researched the legality of tenant representation on housing authority boards or commissions.

The only qualifications in Section 5 of the Texas Housing Authorities Law (Article 1269k, V.A.C.S.), which section purports to establish qualifications of commissioners, is the express provision that a commissioner may not be an officer or employee of the city for which the authority is created. We find no provision in the Texas Constitution or statutes which expressly stipulates that a tenant is ineligible to serve as a housing authority commissioner.

Section 6 of the Housing Authorities Law reads as follows:

> No commissioner or employee of an authority shall acquire any interest direct or indirect in any housing project or in any property included or planned to be included in any project, nor shall he have any interest direct or indirect in any contract or proposed contract for materials or services to be furnished or used in connection with any housing project. If any commissioner or employee of an authority owns or controls an interest direct or indirect in any property included or planned to be included in any housing project, he immediately shall disclose the same in writing to the authority and such disclosure shall be entered upon the minutes of the authority. Failure to so disclose such interest shall constitute misconduct in office.

This language is vague and indefinite. For instance, the term "interest" is not defined, and the Act does not explain the nature of the interest intended by this section. If "interest" means ownership, it probably does not apply to a tenant. We find no cases and no attorney general opinions in which this section has been interpreted or cited.

We conclude that the question as to whether the language of Section 6 of the Housing Authorities Law disqualifies a tenant from serving on a housing authority board has not been determined by the courts. Also, we find no cases or opinions in which the issue of legality of tenant representation on such a board has been raised.

Yours truly,

Mrs. Nancy Sutton

(Mrs.) Nancy E. Sutton
Legislative Counsel

Mr. **Bryant**. Thank you, Mr. Travis.

I will refer to Congressman Bartlett.

Mr. **Bartlett**. Well, I thank all four of you for some rather extraordinary testimony. I know that you've been waiting for years to give this testimony before the Congress, and we've been waiting for years for you. I'm going to make sure that the—all the members of the subcommittee get a transcript of this particular panel.

Let me try to—I've made a list of 14 questions, but I'll assure the chairman I'm not going to ask all 14 as he touches the stopwatch for my 5 minutes.

First of all, on Senator Armstrong's bill, Mr. Travis, I believe you're absolutely right. Senator Armstrong has introduced a number of bills, several of them I've taken and attempted some successfully to make a part of the housing bill over on the House side, sometimes with a great deal of resistence from my fellow committee members, and sometimes not. Sometimes they've accepted.

And so I will take a look at S. 1590. I think that is a bill that I've attempted to model, or to put into the House side of the bill, and we'll look that one up also by number.

A number of you said a little bit about security. I wonder—I know Reverend Hogg and I have worked for almost 10 years now on security in west Dallas. I wonder if you could describe for us, first of all, the impact that security in public housing, both in west Dallas and here in Roseland, has had on livability and quality of life.

Second, I wonder if you would comment on a hypothetical. If we were to permit—we'd have to change the Federal law to do it—if we were to permit the city of Dallas policemen to live in units of public housing set-aside, or not just set-aside, set and live in units of public housing rent free, would having a policeman living next door would that be of assistance, or would it be of detriment?

Mr. **Hogg**. Well, I feel that if residents, Steve, have to pay 30 percent of their income too, I'm sure the police department wouldn't mind paying their share of the rent too.

We do need adequate security. I know in west Dallas they mostly stay open until about 10 at night, and most of your crime mostly is somewhat late up in the day to 3 or 4 in the morning from the research at the Juvenile Research Center, and west Dallas, which is located in west Dallas.

We get—in trying to get a 24 hour security like we once had in west Dallas, since the police department have been there on site, there have been a better community relation between the community and the police department.

Monthly we hold tenant organization meetings. The police department is there to speak in the monthly meetings, as well as in the network of agencies which I serve as chairman of all the agencies of west Dallas.

Mostly the people that have problems in the west Dallas area with the police are usually those that have been confronted by crime in the past, and then some that don't.

Many of the people look at the west Dallas community as an area of crime, or whatever you would like to call it, but as being a resident that has lived there all my life in the west Dallas area, the majority of the crime—65 percent of the crime in west Dallas usually are committed by outsiders either living in north Dallas, Oak Cliff, some other segment of the community.

At the time now the housing authority is doing a—of motor vehicles at the time to—they feel to help cut down on crime at the time now.

Mr. BARTLETT. Ms. Crawford, have additional security forces at Roseland that we began some 5 years ago, have they been of help with the quality of life?

Ms. Crawford, Yes, in some respects many, but residents—when we have our meetings, we always put a space on there for security as well as management, and when we get to the security portion of it, it seems that some residents feel that they're not doing enough, or not doing what they think they should be doing, or when they—like right now with the fire lanes all throughout the development, there's really nowhere nobody can park any length of time except in designated parking areas. And we're getting complaints from our residents here about security because our elderly and the single family development where the majority of your households are women, and some of them ill, and they have aches, and they can't pack sacks.

So they will stop in front of the house, and security has been known to give quite a number of tickets if they're getting—unpacking their groceries, or somebody is coming to pick an elderly person up to take them to church or something. They have been known to give them tickets.

At our last meeting we kind of went over it and we asked security officers to use a little bit more discretion in how they give those out because somebody just can't pack those groceries, and even if they leave their blinkers on, but they complain about that.

And then a lot of times like the people that are coming through that are speeding, that are running stop signs, and racing, and what have you, security doesn't control it at that particular time. And we've asked them to beef up their patrol.

But overall I'd say because most of our residents are single family heads of house that they feel a little bit more confident.

I do know that we haven't been getting as many break-ins, and robberies, and rapes, and murders, as we have before. That is what prompted me to come before city council and ask for security because every other day we were finding women in vacant houses dead, raped, slaughtered, or what have you, and age didn't make any difference. And that was why we asked for it. But we haven't been hearing a lot of that.

I think most of our problem now with crime is drugs, cocaine, and I think that's because our women—women are single, they're beginning to get—the Cubans are beginning to come in on a regular basis, and they're beginning to come a lot of the time, and a lot of residents are becoming uncomfortable because we hear rumors and things about—well, as a matter of fact, on television we saw the paddywagon out there and they said that these men they were trying to arrest had more guns than the police did, and better ones too.

So that's kind of made me frightened a little bit, but as long as they don't bother me, bother anybody, get in fights and things, and sometimes they go through with guns and there was a time when security could not arrest them. But I think now they have arrest power.

And I notice that the police department comes over a lot more often now. You ask would we want them. I don't know. I couldn't answer that. I only for myself, but I could take it up with residents in a meeting and we could get a vote on it.

But even if we could get the police officers here, first of all, I'd like to know how many and would they be in addition to security, or would they replace the security force that we now have.

Mr. **Bartlett**. I would like to have your resident's council discuss it. Let me——

You testified, and I think some of the others of you touched on it, but you testified, Ms. Crawford, that some of the residents in public housing, in your words, want out. That is to say, want to find a different place to live, whether it's section 8, or own a home, or single family, or other kinds of facilities.

Tell us what are the regulations that keeps people from leaving if they want to leave.

Ms. **Crawford**. I tried to get this resident that I have over here, she had to work today and I went to her and asked her, she is now trying to get a house. She wants to buy a house. She has two girls and she works. And every place that she's gone and tried all the realtors, I even sent her downtown to the city of Dallas to Mr. Jones and his program, she's aware of Turnkey, she's gone out there and looked it over—as a matter of fact, I had somebody from DHA come talk to us about Turnkey, and most of our residents after—they were really, really interested. I mean, we had their undivided attention. And they were asking real good questions.

But I think they did not like many of the answers about Turnkey, and right now I've gone out there in a lot of bars, and crime is really up. So she doesn't feel that that's going to help.

She's trying to go to a—she went to one place and they told her she had to have $5,000 down, and the rent was going to run from $500 to $600 a month. She wants out but she does not have that kind of money.

I would estimate that she's between maybe $13,000 and $16,000 and this is just a year. And to come up with $5,000.

I told her about another one. She went and talked to them. They wanted $2,000 down and they wanted $500, and these were the older homes. And she told me they were like $60,000.

Mr. **Bartlett**. Under section 8 what keeps people from renting a section 8 home?

Ms. **Crawford**. Well, at our meeting, when residents were asking—Mr. Shaw was one that came—about the program, a resident asked him—we don't try to give section 8 because we find out at council resident's meeting that if you live in public housing you can't make the transition from public housing to section 8 unless you move out of public housing for 3 months, and then go back out there and get on a long waiting list, and reapply, which might take forever.

So I mean if you've got to go to all that trouble and if you look for other options, and there really aren't—the other ones are not there either.

So you are really—unless Mr. Travis or somebody knows of another way, because I've got five people right now that's ready.

And I asked Mr. Martin of DHA when residents' incomes—their rent got so high that maybe they would call them in and counsel them on the possibility of getting out because that's what this used to be, a vehicle by which people moved in until they got on their feet, and they moved out. But the turnover now is not as great as it was years ago.

But that's why people are not in section 8, and we're just not—Turnkey is just not that really tempting now, the rules, because we didn't get all the in depth information, and I can give you a specific example.

If this person lives in Turnkey, and this one lives here, this person would move out leaving whatever—equity, or whatever is left. Well, the next person that came along that bought that house would buy it at the price, or whatever the difference was that person left, and it may be easier. But it's not like that now.

Mr. Shaw told us at our resident council meeting—correct me if I'm wrong—that if you go to get—if a tenant is a home owner, home buyer is in the home, and they give it up, and they've been there say 5 years and paid up the difference, well, what they would do when that person moves out is they'll come in, remodel the house, and then have it reappraised, and whatever the value would be after it's been remodeled.

But the president of Turnkey told me there was a time when you didn't get a new appraisal. Whoever came later got the house, or whatever the difference was that the first tenant had. And then that accumulative maintenance she said would build up until it would grow and get enough that you could purchase the home.

But this is not the information that we're getting, so maybe they amended that too. So I don't know, but this is what turns a lot of them off.

Mr. **Bartlett**. Thank you.

Mr. Travis.

Mr. **Travis**. Just two quick things.

If the city wouldn't have turned back the $6 million on scattered housing site about 4 years ago, we would have had some houses to move residents from public housing on through.

But back to attitude just one time. I moved out of public housing because I broke a State law. I mean, it was a felony. It passed the statute of limitations so don't look it up.

My manager at that time let me build up enough money to pay owner home downpayments. And as far as moving from section—I mean from public housing to section 8, how can HUD not enforce a Presidential Executive order and enforce the Civil Rights Act of 1964 on cities, going to raise a big old issue if Jack Herrington moves folks from out of Roseland Homes to someplace else? That's bull.

Look at—the local housing authority can just wipe that out on the word say go. You don't need no legislation on that. If you think the mayor—to put give good people through who tell you Jack Herrington to do away with that law.

Mr. **Bartlett**. Mr. Medrano.

Mr. **Medrano**. Yes; I just wanted to let out something about crime to qualify some statements that were made here about the crime in public housing. Having served as chairman of the Dallas County Grand Jury, our statistics showed, and some of the people that came before us, the overwhelming majority, I would say about 90 percent of the crime that was committed in public housing was done from people that lived outside of the projects. So whether it would have been murder, muggings, and so forth, auto theft, the people that came before us did not live in projects. They might have known somebody in the projects, but they didn't actually live in the projects.

Ms. **Crawford**. Mr. Chairman, may I ask one question before we stop?

I would like to see this Congress mandate all housing authorities that they post HUD regulations. When I say that, people say, well, that's not possible. Yes, it is. It's just as possible to post HUD regulations as it is for them to interpret them and they post what they interpret them as. And maybe we do need an interpreter to interpret, but at least it's posted, and we'll know that this is happening to us, and we will be aware that a new law is fixing to govern us living here, or something. We're citizens. We have a right to know.

But when you go to—now, if you don't know all of these numbers and regs, you might go to HUD the whole week, or the whole day, but I'm asking this Congress that we have some—that you all mandate that all housing authorities post HUD regulations because it's the difference in what HUD mandates and what the housing authority policy is, and maybe this 3 month moving out—apparently it has to be a policy of DHA.

But neither the Congress nor HUD is aware, I don't guess, of what their policies are when they approve them, or whatever. Do you see what I'm saying?

It's not enough communication and monitoring, and keeping up with what's going on. You make a law, you enact the law, and then there it goes, but nobody monitors it to see if it's being carried out. You just naturally assume that because you make it a law that somebody is going to abide by it. Just like discrimination, and equal opportunity employment, and all that. All that's in place but who is there to monitor it to see to it that it's actually being done. Laws are no good if they're not enforced, any kind, nor them all. They're absolutely no good.

And even DHA and HUD.

Mr. **Bryant**. But your point is you would like for us to have them post those laws, is that correct?

Ms. **Crawford**. If there's a change in an amendment or something is going to affect our lives, as much as HUD regulations does, I think we have a right for it to be posted, but all that happens is DHA interprets it and they put it down the way—and they say that's the regulation. But we don't know that it's coming. Maybe we could have some input and maybe change their minds.

Mr. **Bryant**. We thank you for your testimony and for—thank each of the panel members for their testimony this afternoon.

Our next panel is Dr. Charles Hunter, director of Special Programs at the Greater Dallas Housing Opportunity Center; Mike Daniel, attorney with the firm of Julien & Daniel; Ms. Jean B.

Brown-Braddix, executive director of the Jefferson Housing Authority; Mr. Leonard Chaires, former regional director for Fair Housing and Equal Opportunity for HUD, region 6.

Mary L. Dews cannot be here but will submit a statement in the future.

At the top of our list for testimony was Dr. Charles Hunter, so we'll start with Dr. Hunter.

STATEMENT OF CHARLES HUNTER, DIRECTOR OF SPECIAL PROJECTS, GREATER DALLAS HOUSING OPPORTUNITY CENTER

Dr. HUNTER. Thank you, Congressman Bryant, Congressman Bartlett.

I have sought to condense what I would have said had we done this earlier, into a smaller package. I have a prepared statement here, but I sat back there and redid it so I expect to take only a little while.

I'm concerned here with the discussion on segregation in public housing and I would suggest that the prevailing notions which are found in the private housing market are embodied in the affairs of public housing, and primarily discrimination and segregation being part and parcel of the system.

Now, clearly, as far as I'm concerned, the elimination of segregation and discrimination in housing will come only as we place emphasis upon fair housing. There is some resistence to dealing with fair housing in our community; however, segregation in public housing is a function of the failure to implement fair housing practices in a community.

Now, a situation which affects some families in public housing is related to the act of discrimination against the families with children. Younger families are likely to have children in public housing. When these families are able or willing to move into private housing they cannot always find places to rent when these impediments are presented. And there are, of course, a number of types that may be more affected by this than others.

Public housing in Dallas, as in other places, has functioned under a sort of controlled process by HUD which makes it difficult to deal with segregation. The regulations are permissive toward allowing racial segregation, and this has contributed to the pattern of racial and ethnic segregation that has occurred.

I think one thing we need to realize is that the problems of segregation in housing, public housing included, is cultural, and we must deal with it as a cultural phenomenon.

I had and have prepared some comments on segregation in special groups, particularly segregation against—I should say discrimination against Mexican-Americans in housing in Dallas, and I will be submitting that as part of the written testimony.

The first step toward solutions of the problems of segregation in housing, in public housing, is to eliminate the ostrich syndrome which acts as if public housing problems can be solved without attacking the problems of discrimination in the private housing market.

The Department of Housing and Urban Development, the Congress, and local officials, must assume their responsibility of promoting and assuring fair housing practices in the general population, as well as in public housing.

Historically, in Dallas the officials of the city have practiced the handsoff policy toward solving problems in public housing, while rationalizing that such matters fall within the jurisdiction of the Federal Government. Such attitudes here and in other cities have retarded the progress of fair housing in public units.

Second, there must be developed a reliable and valid source of information on the matter of segregation in housing.

We are unrealistic about the nature of the problem. Management of housing units are often no more committed to justice and fairness in housing today than was true of those 10 or 15 years ago, and yet we go on acting as if they are.

Not far from this place, and this year of 1985, a manager of housing units declared that "no niggers, Mexican-Americans, nor Indians, will get in these units." And that is within the month.

Third, the Government must develop mechanisms for funding public housing acquisitions in scattered sites throughout the city to avoid impactation of dependent groups, such as racial, age reference, and economic categories.

More attention should be given to smaller units of public housing, to cooperative housing, as public housing, and some individual family housing. Plans should be made now by the Congress to develop an acting legislation to permit this.

The rest of what I have to say will be submitted to you in writing.

[The prepared statement of Dr. Hunter follows:]

SEGREGATION IN PUBLIC HOUSING

Charles A. Hunter

Professor of Sociology, Bishop College
Director, Special Projects
Greater Dallas Housing Opportunity Center

The prevailing notions found in the private housing market are embodied in the affairs of public housing. In Dallas, Texas, as is true of the United States in general, discrimination and segregation based on race and sex have dominated. The disturbing fact is that they continue to exist in the relationships of public housing and in private housing. For more than seventeen years, there has been a national housing law which makes it illegal to segregate and/or discriminate in the various aspects of housing based on race, sex, age, national origin or religion. Yet the practice goes on. The city of Dallas has been among those relatively few municipalities that have enacted a fair housing law, which makes it illegal to discriminate in housing. Through the dynamics of management changes, redistribution of power, resistance to social change, controls of the local power structure, and indifference in the general population, the law has not served to eliminate the discrimination in housing that it was intended to do.

Clearly, the elimination of segregation and discrimination in housing of any type will come only as we place emphasis upon fair housing. For some reason, fair housing practices as a functional concept seems to be more threatening than most issues. It is something that many people do not wish to get involved in. However, segregation in public housing is a function of the failure to implement fair housing practices in a community. Emphasis in fair housing must be specifically directed toward public housing as well as toward the private housing market.

Dramatically, the one domain to which the fair housing ordinance of the City of Dallas reach out was public housing. Public housing cannot be left to the devices of its own whims and be sufficient. Perhaps responsible dealings with segregation in public housing will result when, as Robert Merton, the noted sociologist indicated many years ago, people are made accountable for the outcome of their collective and institutionalised actions.

Among the problems one faces in exploring the matters of racial and ethnic segregation in public housing is that of the contradictions in functions in our society today. Note for example the increasing numbers of families being added yearly to the rolls of poverty dwellers in the midst of an "economic recovery"; the swelling prison populations, producing a system of violence unmatched in recent times, even as we are championing a law and order society; the tremendous technological developments that have taken place in our society which is dramatically demonstrated by our space explorations, while the dysfunctioning social system in public housing has remained unsolved for at least five decades. Indeed, as we sit here today, talking about public housing, sharing some implications that all our people are being housed, there are increasing numbers of homeless people hitting the streets every day. The conclusion to the matter is the question, how can the segregation and discrimination exist in housing to the extent that it is being found today in an age of enlightenment and emphasis on civil rights?

There is ample manifestation of segregation in public housing throughout the United States. The series of articles on the subject in The Dallas Morning News in early 1985 was a dramatic highlight of the phenomenon. The lack of affordable housing for the poor has produced a segment of society that is totally dependent upon public housing today. These people have few if any alternatives; they are therefore subject to the manipulations of those who would manage the institution of public housing. The various approaches to providing affordable housing for the poor that were delineated in a 1983 study by the League of Women Voters of Dallas are unavailable to most of this public housing dependent population.

A situation which affects some families in public housing is related to the act of discrimination against families with children. Younger families in public housing are likely to have children. Even if, and when these families are able to move into private housing they may have difficulty finding places to rent which will accept children. This means that such families may need to remain in public housing longer than they would otherwise. Black and Mexican American families are likely to be affected by this practice more than others. Studies conducted by The Greater Dallas Housing Opportunity Center over a period of years have shown that discrimination against children has been a widespread practice in Dallas, and the practice continues. In 1982 over fifty percent of the city's apartment complexes refused to rent to families with children. Families with children seeking apartments in Dallas have 40 to 60 per cent fewer chances than single adults or couples without children.

Public housing in Dallas, as is true of other places, has functioned under a sort of controlled process by the Department of Housing and Urban Development, which makes it difficult to deal with discrimination in public housing. In many instances it was difficult for groups like GDHOC to make checks on fair housing practices in HUD subsidized housing because of these controlled functions. The regulations often have been permissive of racial segregation. Where fair housing might have been mandated, it has not been done.

We must remember that the problem of discrimination in housing is a cultural matter and the remedies must treat the matter as a cultural phenomenon. It takes place within an environment where certain attitude constellations have been formed and promoted by the society which encourages racial segregation. Our practices have been greatly influenced by these attitudes. However, these attitudes can be changed with proper input from responsible sources in the society. Indeed, these attitudes must be changed - and governmental agencies must contribute to the changes as well as responsible citizens in the community.

GDHOC has focused on incidences of housing discrimination against several special groups, such as children with families, black and Mexican American populations. Much has been said about some of these.. Very little has been said about discrimination against Mexican Americans. A study made in Dallas showed that there is widespread discrimination against this class of people. Among the reasons for the lack of emphasis on housing discrimination against Mexican Americans may be the confusion that has existed regarding the minority/racial status of that group.

A sample made up of teams of dark skinned Mexican Americans and whites and of light skinned Mexican Americans and whites was drawn to test the prevalence of discrimination in this population and to determine if there were differential treatment patterns for darker skinned Mexican Americans when compared with the lighter skinned ones. Each member was given a role to play as an "auditor" seeking housing. The roles for team mates of white and Mexican American were quite similar, so that the only difference was race.

The findings showed that both testers in a team encountered the same agent in a firm about half of the times. The initial contacts for white and Mexican American were not very different. Neither group had to wait very long before being served. Interestingly, the dark skinned Mexican Americans were offered literature on the apartments in which they were interested more than twice as often as their light skinned counterparts. White testers were offered literature more often in both groups.

Mexican Americans were asked information about their housing needs more often than were the whites. Both Mexican Americans and whites would have been able to rent the apartment they requested about the same percentage of the time among the light skinned group, but the dark skinned group would have had more difficulty renting the apartment they requested than either the whites or the light skinned group. Generally, the Mexican Americans experienced discrimination in seeking housing when compared to whites. This supported the hypothesis that race plays a significant role in the ability to get housing. The experiences of the dark skinned group supported the hypothesis that, skin color may be more determinant of discrimination when seeking a house than all other factors.

These data along with others will show that minorities seeking public housing will likely encounter discrimination a great amount of times. Fair housing practices must be mandated for public housing in order to prevent discrimination which leads to the racial segregation that has become so prominent in public housing complexes. In the 1940's and 1950's and most of the 1960's public housing in Dallas was-segregated according to race by plan. No deviation from the pattern was tolerated. The 1960's and 1970's saw a change from the formal practice of assigning public housing units according to the race of recipients to the informal practice of impacting races, brought about by steering through management decisions. That is, assignments were supposedly made on an "open" basis, but most of the families assigned to certain units happened to be of the same racial group.

1. The first step toward remediation of the problem of segregation in public housing is to eliminate the Ostrich Syndrome, which acts as if public housing problems can be solved without attacking the problems of discrimination in the private housing market. The Department of Housing and Urban Development, the

congress, and local officials must assume their responsibility of promoting and ensuring fair housing practices in the general population as well as in public housing. Historically in Dallas, the officials have practiced a "hands off" policy toward solving problems in public housing, while rationalizing that such matters fall within the jurisdiction of the federal government. Such attitudes both here and in other cities have retarded the progress of achieving fair housing in public units.

2. Reliable and valid information on discrimination in housing must be developed before success can be had in eliminating segregation in public housing. We are unrealistic about the nature of the problem. Management of housing units often are no more committed to justice and fairness in housing today than was true among those of ten and fifteen years ago. Not far from this place, in this year of 1985, a manager of a private housing complex declared that, "No Niggers, Mexican Americans, nor Indians" will get in these units.

Yet fewer and fewer resources are being committed to the achieving of fair housing in the community. Exotic new programs can erupt upon the scene and claim the attention of the decision makers that are digressions from fair housing and more capable of being "window dressing" than effective techniques for solving the people problems in housing. HUD needs to work more closely with those community based groups to promote fair housing, even to the point of providing additional resources for some of them.

3. The government must develop mechanisms for funding public housing acquisitions in scattered sites throughout the city to avoid impactation of dependent groups, including racial, age referenced and economic groups. More attention should be given to smaller units, cooperative housing as public housing and some individual family housing.

Mr. **Bryant**. Mr. Chaires.

Mr. **Chaires**. Am I next?

Mr. **Bryant**. Yes, we recognize you at this time.

Mr. **Chaires**. OK, sir.

Mr. **Bryant**. Leonard Chaires, former regional director for Fair Housing and Equal Opportunity for HUD.

STATEMENT OF LEONARD CHAIRES, FORMER REGIONAL DIRECTOR, FAIR HOUSING AND EQUAL OPPORTUNITY FOR HUD

Mr. **Chaires**. I'm here representing the Texas State Office of the League of Latin American Citizens, and I'd like to state the fact that there is a shortage of low-income housing in Dallas and that an insignificant amount of low- and moderate-income housing is being built in Dallas.

I'd like to go over to that map for just a second.

If you were to look at north and south Dallas, this being south Dallas here, that being north Dallas there, what you have happening is that there is very little low- and moderate-income housing being built in north Dallas, and its only elderly housing projects where the primary occupants are nonminorities. In the towns of Farmers Branch, Irving, Addison, Carollton, Richardson, and Garland, they employ zoning practices which permit great amounts of large-lot single family zoning while limiting the amount of multifamily dwellings. OK, if that wasn't bad enough, what you have is that many apartment complexes in north Dallas are being converted to condominiums, that in effect, are excluding children and the elderly. They can't keep up with the increased monthly payments—that now include interest charges, taxes, and insurance. In north Dallas, 68 percent of apartment complexes are not accepting families with children, as opposed to 11 percent in south Dallas that are accepting children. What has happened in north Dallas is white flight. School integration was to balance the schools by having some of the whites go to predominantly black schools and some blacks go to predominantly white schools. The end result—a significant amount of white flight to north Dallas. If that was not enough, migration of industrial and commercial development went to north Dallas and the suburbs north of Dallas. There has not been a comparable economic development in south Dallas. So what resulted is that low- and moderate-income minorities primarily live in south Dallas because they cannot find places to live in north Dallas. A little interesting note is that as a result of the above housing situation, a need developed for the DART Transportation Program. DART is going to cost several million dollars, and it's for the purpose of taking 19 percent unemployed people living in south Dallas to north Dallas where there exists a 19-percent shortage of workers. It appears that people from south Dallas can work in north Dallas but cannot live there. In addition, you have some problems with a lack of economic development in south Dallas, which is basically the area south of the Trinity River. The area is broken down into several sub-areas. Let me go back to my written presentation because I want to make the specific point that there is a discriminatory affect taking place in the city and county of Dallas without there being legal intent discrimination.

Let me repeat that. The affect has been discriminatory without the legal process taking shape or form. That is because they're excluding children, and that's not covered by the title 8 fair housing law, so they can legally convert those to other elderly—adult only apartments and elderly apartments.

What you also have is the fact that through these zoning practices, which is legal, they're not permitting small type family units to be placed in north Dallas, or in the suburbs of Dallas, and also they're limiting the amount of multifamily plus the fact that 68 percent of existing apartments in north Dallas are excluding families with children.

So basically what's happening is you're closing down or having the possibility of even closing down some schools.

Let me go on very quickly here because I do want to read something verbatim here in west Dallas, because I am here as an Hispanic representative, and I've targeted Hispanics in west Dallas.

A large segment of the population of west Dallas is Hispanic. The median income for west Dallas in 1979 was $9,481, which was 50.8 percent of the city of Dallas' median income, of $19,704.

The Dallas area median income in Dallas in 1984 was $30,200. I do not know what the 1984 median income in west Dallas is, but I would estimate that it is not $24,000 which is 80 percent of the 1984 median income.

And then I go on to say here that in west Dallas the average age is 20.4 years as opposed to 28.7 years for the total city of Dallas, that the housing conditions in west Dallas are probably by comparison the worst housing in the city of Dallas, and west Dallas still has the largest proportion of housing units boarded up, 10.9 percent in 1980, and the unemployment in west Dallas was 6.5.

I'm not going to read everything, but by way of saying that when you look at the city of Dallas in terms of financial investment, and the young lady said they couldn't find a house, well, if you were trying to find a bank that would loan you $30,000 in the city of Dallas, it's hard to find. They won't make small loans.

HUD makes loans with 11.5 percent rate, so that if a person was trying to buy a home that person's home would be $300 a month on a $30,000 loan at 11.5 percent, FHA insured. By way of saying that you have some banks that are tending to red line the purchasers of low income families—even if you had the money you couldn't buy it in those particular areas.

The other thing is that in the Code Enforcement Program, housing is intended to be upgraded from substandard housing to standard housing. Good housing in a suitable living environment is the goal. The Code Enforcement Program included and was to address the neglect of absentee landlords. These specific homeowners are not seriously being targeted. It appears that those being targeted are low- and moderate-income homeowners. They fear removal from their homes because they cannnot afford the cost or obtain the financing to make the required repairs.

Now, Dr. Hunter mentioned here something about HUD. And people have alluded to it.

One of the requirements for the housing and community development act of 1974 is a housing assistance plan. One of the requirements, eligibility requirements, is that the city provide for large families. That is being totally ignored by the city of Dallas, so they would be in violation of HUD Federal procedures right there, and if you could enforce the compliance effort, they would be put in noncompliance. This could endanger any future funding from HUD. The city of Dallas has ignored the provision for large families. The city of Dallas also has taken the position that it has provided its fair share of low- and moderate-income housing OK. Now, they're basically saying let somebody else pick up their fair share of low-income housing like the suburban communities in north Dallas.

The program that was highlighted in the Dallas Morning News on Tuesday, October 8, 1985, cites, among other things, that almost 40 percent of the city and county home loans money has gone to Dallas County upper income families, those who earn 120 percent or more of the area's median income. Another question is why market lenders in the city program have allowed individual builders to reserve almost $25 million in home loan funds that appear to be earmarked for the construction of new homes in nontargeted neighborhoods in north Dallas subdivisions in the suburbs.

I would like to bring to your attention two words, one is the word "intent," and the other one is the word "affect." The Department of Housing and Urban Development is trying to change the word "affect" to "intent." There is a very strong burden of proof in trying to prove intent in a discrimination complaint. In fact, it is almost impossible.

And the other things that are taking place is that HUD is cutting back on staff and travel funds, and just as recently as last week HUD changed the telephone prefix number from 870 to 855 so that if any complainant was trying to dial into the Fort Worth Regional Office, they would have gotten a telephone message saying I'm sorry that the phone has been disconnected for whatever reason. Imagine how frustrated the complainant could be when he would hear that, especially if that's the only place they've been told to go to.

One other concern here. As recently as October 25, 1982, HUD issued a memorandum considering departmental policy relative to restrictive covenants, and the covenants had to do with the retirement and adult housing developments. This covenant, which excludes children, would impact more heavily on female head of households and minorities, especially families below the poverty level-low income.

In my estimation, you have a lot of existing policy issues out there that are permitting discrimination. I believe that nobody has really addressed the issue of what is happening out there—in the real world.

This includes redlining, gentrification has been mentioned earlier, the zoning, the code enforcement, the issues of, if you will, boarding up units, not building any more units, a number of things.

I've given you some recommendations here, and I want to just go over just a few because I think they're relevant.

And in terms of the city of Dallas, to implement the housing assistance plan requirements addressing housing needs for large families of low- and moderate-income families; the city is in violation of the Community Development Act of 1974 if said provision of the act is not being implemented.

Implementing programs to construct new low-, and moderate-income housing. Steve, you mentioned a little while ago that in fact what would it be if people furnished these vouchers, could they find housing somewhere else.

I asked Mr. Reels there at lunch, and he said that—of course, you heard that he said out of every three, one finds an apartment complex. Well, the other question I asked him is how many recipients of certificates are going to families with children. He said 90 percent.

The other question I asked was how many certificate vouchers go to minorities. I believe he said 10 percent.

So that the problem is that if you were trying to find housing with a certificate in north Dallas, 68 percent won't rent to families with children. Normally the poor and the low income have children.

There are some other relevant issues here, but I need to go on with this one here because I'm requesting that the city of Dallas require an audit in the performance of Dallas Housing Finance Corp. loans.

To implement a strong city policy so that the first moneys go to low-income buyers located in designated target areas. Recapture and redistribute the $25 million reserved for building new homes in subdivisions in suburbs. That money should not go to the suburbs.

Develop and implement a grant revolving loan program to work with implementing the Code Enforcement Program. Same thing for the county of Dallas. They need to perform an audit in terms of their Housing Finance Corp. to see that those moneys go into target areas, and the applicable low-income people.

Now, here's where I think that you can be of help. Request of the U.S. Justice Department to perform a study on the zoning which permits great amounts of large-lot single family zoning while limiting the amount of multifamily dwellings. The affect of apartments excluding families with children. And then also to take a look at the financial institutions in terms of what was mentioned earlier, in the Community Reinvestment Act—to see if, in fact, these financial institutions are, in fact, not loaning money to minorities or low-income person in south Dallas.

I believe that they are not loaning money to these people for the reasons that they are redlining.

The Dallas Apartment Association should perform a study to determine what effects the refusal of children by apartments is having on minorities and woman head of households.

Now for HUD. That's another area that you can request of them.

Mr. **Bryant**. If you'd sum up.

Mr. **Chaires**. Yes. Increase the number of fair housing equal opportunity, complaint and compliance staff, reimplement the HUD forms to capture the racial data information, and how—are serving low and moderate income persons' needs. Without this information, it's very hard to do a compliance review. Cancel the HUD policy memorandum that contains the HUD restrictive covenants. Review and stop the effort to administratively change the requirements of having to prove legal intent in lieu of addressing affect.

The current civil rights laws only require that affect should be addressed. There is no burden to prove legal intent.

This thing contains a lot more. I'm trying to just summarize it as fast as I could.

Mr. **Bryant**. Just submit it for the record.

Mr. **Chaires**. I did submit it. And I thank you for your patience, and I think we have been patient here since 9 this morning also.

[The prepared statement of Mr. Chaires follows:]

STATEMENT OF LEONARD CHAIRES, FOR THE TEXAS STATE OFFICE OF THE LEAGUE OF UNITED LATIN AMERICAN CITIZENS [LULAC]

My name is Leonard Chaires. I live at 1012 Briarcreek Drive, Arlington, Texas, 76012. I am representing the Texas State Office of the League of United Latin American Citizens (LULAC). I was the former Regional Director of Fair Housing and Equal Opportunity for the U. S. Department of Housing and Urban Development (HUD), Region VI, from 1974 to 1983.

In my judgment the problem with low and moderate income housing is that there is a serious shortage of said housing throughout Dallas. I believe that the City of Dallas has an informal policy that only allows for a token amount of new construction of low and moderate income housing to be built in the City of Dallas. I also believe that the City of Dallas has taken the position that it has provided it's "fair share" of low and moderate income housing and that the suburban communities, which strongly resist such housing, should shoulder part of the load. The real problem is that an insignificant amount of new construction of low and moderate income housing is being built. Only a few projects of elderly housing are being built.

The problems that exist for low and moderate income families are many, and they include the problem that they have to pay an excessive proportion of their income in many instances for existing substandard housing.

Several years ago, the problem of White flight to the suburbs surfaced. The cause of the problem in my opinion was that White children were to be bused to a school that had a predominantly Black children enrollment and Black children were to be bused to a school that had a predominantly White children enrollment. As a follow up to White flight, there has been a migration of industrial and commercial enterprises to North Dallas and the suburban communities. These communities include Irving, Addison, Carrollton, Richardson, and Garland.

The 1980 census data indicates that the City of Dallas had a population of 902,619 people, with an additional 653,930 people living in the suburban remainder of Dallas County. The City of Dallas population included 49% of non-minority Whites, 29% Blacks, and 12% of Hispanics. In contrast, the suburban remainder of Dallas County population included 85% non-minority White, 3% Black, and 7% Hispanic.

Many of the suburban communities have employed zoning practices which permit great amounts of large-lot single family zoning while limiting the amount of multi-family dwellings. It can be argued that these practices have a practical effect of having a disparate impact on minorities in the area. These tactics in my opinion could be construed to have the affect of being discriminatory. It is also noted that several suburban communities have engaged in litigation to block low income housing in or near their communities.

A Dallas Apartment Association study performed in the fall of 1978 revealed that 40.8% of the older apartment complexes in the Dallas area and 78.6% of the newer complexes refuse all children. A study by Jane Greene & Associates showed that 52% of the housing units within the Dallas City limits refused to rent to families with children and that an additional 12% have restrictions as to the number and age of children accepted. The study also found that in the northern half of the City of Dallas, 60% of the complexes refuse children, compared to 11% in the southern half of the City. Also the study revealed that 75% of the complexes in the northern half of the City of Dallas refused children of school age.

In the recent past, many apartments in North Dallas have been converted to adult only apartments and others have been converted to condominiums. The affect of said actions are that families with children and the elderly have effectively been removed out of these apartments. Many families cannot afford the down payments and higher payments which now include interest charges.

I believe that it is a fair statement to say that poor and minority families have several children, that the City of Dallas has a larger share of the poor and minority families than suburban communities, that there is a greater concentration of low income families closer to the Central Business District especially in West Dallas and Fair Park/South Dallas, and that there exists a wide disparity in growth and development between the northern half of Dallas as opposed to the Southern half of Dallas. The Southern half of Dallas being defined as West Dallas, Jefferson/Cliff Hill, Southwest Dallas, South Central Dallas, Fair Park/South Dallas and Southeast Dallas.

Lets look at a few facts about West Dallas which is one area in South Dallas. A large segment of the population of West Dallas is Hispanic. The median income for West Dallas in 1979 was $9,481.00 which was 50.8% of the City of Dallas median income of $19,704.00. The Dallas area median income in Dallas in 1984 was $30,200. I do not know what the 1984 median income in West Dallas is now but I would estimate that it is not $24,160.00 which is 80% of the 1984 median income. I will say that under Federal regulations West Dallas qualifies as a target area for subsidized Home Loans by the City Housing Finance Corporation. The median age of the population in West Dallas of 20.4 years was lower than the city median age of 28.7 years. Housing conditions in West Dallas are poor in comparison to the rest of the city. West Dallas probably still has the largest proportion of housing units boarded up, 10.9% in 1980 and the largest proportion of over crowded households in the city, 10% in 1980. The unemployment in West Dallas in 1980 was 6.5%. The largest concentration of public housing in the City of Dallas is located in West Dallas. A large percentage of these housing units are vacant and boarded up. Much of the existing private housing units in West Dallas need repairs. Older retail and commercial facilities need to be upgraded and renovated. One last observation, 65% of the land in West Dallas is developed with industrial and commercial uses.

The Housing and Community Development Act of 1974 has provided the City of Dallas with many millions of dollars through the Community Development Block Grant Program. Eligibility requirements to receive the HUD funds included the submission of a housing assistance plan (HAP) and compliance with civil right laws. The HAP includes that the needs of low and moderate income housing for large families be addressed. This addresses 3 and 4 bedroom size housing units. The City of Dallas appears to have ignored this eligibility requirement for the federal funds received from HUD.

A particular strong emphasis by the City of Dallas is being given to the Dallas Code Enforcement Program. The general purpose of the program is to up-grade substandard housing to bring it into compliance with City Code standards to achieve safe and sanitary housing. The intent of the program is good. There are many low and moderate housing units operated by absentee landlords that need to be addressed to eliminate overcrowding and substandard housing. There exists low and moderate income housing that are owned by families with low and moderate incomes that are substandard. These owners need help to obtain the necessary funds to make the required repairs. Low and moderate income families who own homes fear the Code Enforcement Program. It is their perception that this program was designed to force them out of their housing since it is almost impossible for this type of owner to obtain home improvement loans from financial institutions.

Redlining is defined as the refusal of mortgage lenders to make loans in predominantly minority areas. Some lenders are reluctant to make loans in lower income areas, regardless of the applicant's income. Small loans are not the most lucrative that investment banking firms can make.

The Dallas Morning News on Tuesday, October 8, 1985, presented a valuable news story entitled "Subsidized mortgages diverted from target areas - Loan program benefits few low-income buyers, investigation finds" By Craig Flournoy. A few points of interest are as follows:

1. Federal regulations define target areas as those census tracts in which at least 70% of the families earn 80% or less of the area median income. Area median family income in 1984 was $30,200.
2. Only 4% of the more than 3,100 City, County, and State loans in Dallas County went to borrowers buying homes in target areas.
3. Almost 40% of the City & County home loan money has gone to Dallas County's upper-income families (those who earn 120% or more of the area's median income) and only 17% of the City & County mortgage money has gone to low & moderate income familes-defined as those who earn 80% or less of the area wide median income figure.
4. More than 90% of the target loans in Dallas have gone to two areas - a Pleasant Grove neighborhood that is more than 80% white and an East Dallas area.
5. Mortgage lenders in the City program have allowed individual builders to reserve almost $25 million of the $68 million in home loan money, the majority of it for the construction of homes in non-target neighborhoods to build new homes (Subdivisions in Suburbs).

Of Dallas 402,000 housing units, 72,000 are structurally substandard. There exists a market loan demand in excess of $85 million in South Dallas.

The 1975 Housing Assistance Plan for the City of Dallas estimated that although there were 73,000 very low income households in Dallas (using 1970 figures), there were only 56,000 housing units available for very low income families. According to a 1985 City Housing & Neighborhood Service Study, there are approximately 162,000 low and moderate income households in Dallas.

There exists another area of concern that needs to be noted. The U. S. Department of Housing and Urban Development is defaulting in its responsibilities. There appears to be in place a strategy to decentralize HUD responsibilities with an emphasis on local autonomy. This has resulted in a retreat by HUD to capture the necessary data to insure that programs are being carried out to meet Congressional intent. In the area of the Fair Housing and Equal Opportunity, emphasis is being placed on a voluntary effort at the expense of an effective enforcement program. The enforcement effort has been weakened by removal of experienced supervisors, a significant cut of investigators, a significant reduction of travel funds to investigate complaints and perform compliance reviews, a lack of updated guidance material to address Title VI of the Civil Rights Act of 1964, Title VIII - The Fair Housing Law, Section 109 of the Community Development Act, Handicap, Aging, etc. There was also an attempt to change the enforcement effort to having to prove intent in lieu of affect. I believe that there has been a shift in civil rights enforcement to one of adopting a largely voluntary approach toward landlords and brokers who discriminate against people looking for housing. There has been attempts to make the complaint process more difficult for complainants and an effort to investigate complaints through telephone calls. As recently as last week the HUD Regional Office changed the prefix from 870 to 885 and the average person was not made aware of the change. Can you imagine the frustration of a complainant calling long distance from Dallas to Fort Worth and listening to a recording say this telephone number is no longer a working number. One last point. As recently as October 25, 1982, HUD issued a memorandum regarding Deparmental policy relative to restrictive covenants. The concern is that the restrictive covenants in "retirement and adult housing developments" are now "acceptable to HUD " if permitted by state and local laws. This covenant which exclude children would impact more heavily on females and minorities, especially families below the poverty level - the low income. This memorandum to my knowledge is still in effect.

Summary: The various changes taking place in Dallas - Adult only apartments, the enforcement of the Code Enforcement Program, the reluctance of financial instituttions to make loans in low income areas, the implementation of the City & County Housing Financial Corporations - loans to non-target areas and persons of higher upper income families, large lot single family zoning while limiting the amount of multi-family dwellings, the refusal of apartment complexes to accept children, the lack of constructing new low and moderate income housing, the destruction and boarding up low and moderate income housing, the lack of implementation of the housing assistance plan for large family housing units, may not have the intent to be discriminatory. However, the affect does appear to be discriminatory. The lack of housing for minorities in North Dallas may have also contributed to the need of a mass transit program - DART - to supply North Dallas with the shortage of workers, 19%, with unemployed workers, 19%, from South Dallas. An in depth review of HUD's Fair Housing and Equal Opportunity needs to be conducted to review the effect of cut back in investigative efforts due to cut back in travel funds and staff, a de-emphasis of a strong enforcement program in lieu of a voluntary approach effort, the re-introduction of restrictive covenants that could be interpreted to be discriminatory, and HUD's thrust to administratively change the civil rights program from a program of addressing affect to one of having to prove intent. To prove intent would cause many hardships on complainants because it is more difficult to legally prove intent. The Fair Housing and Equal Opportunity effort would change from being an administrative program effort to a legal type effort. If the civil right laws are changed from affect to intent, all civil right enforcement could be absorbed by the Housing and Credit Section of the Civil Rights Division, U. S. Justice Department.

Recommendations: The City of Dallas needs to address the following concerns:

1. Implement the HAP requirements addressing housing units for large families of low and moderate income families.
2. Implement a program to construct new low and moderate income housing.
3. Audit the performance of the Dallas Housing Finance Corporation loans. Implement a strong policy to have funds go to low income buyers located in designated target areas. Recapture and re-distribute $25 million reserved for building new homes in subdivisions in suburbs.
4. Develop and implement a grant and revolving loan program to work with implementing the Code Enforcement Program. The funds should be targed to help financing repairs for low and moderate income home owners.
5. Develop and implement a plan to upgrade commercial and industrial enterprises in South Dallas with emphasis on West Dallas.

The County of Dallas needs to audit the performance of the Dallas County Housing Finance Corporation loans and implement a strong policy to have funds go to low income buyers located in designated target areas.

The U. S. Justice Department should be requested to perform a study on the zoning which permit great amounts of large-lot single family zoning while limiting the amount of multi-family dwellings, the effects of apartments excluding families with children, and how financial institutions are implementing the Community Re-investment Act and to determine if in fact financial institutions have redlined neighborhoods in South Dallas with emphasis on West Dallas for the purpose of establishing whether any item or all have a discriminatory affect on minorities or women head of households.

The Dallas Apartment Association should perform a study to determine what affect the refusal of children by apartments is having on minorities and women head of households in Dallas.

The U. S. Department of Housing and Urban Development should more effectively implement congressional intent and become more of an advocate in providing more low and moderate income housing. HUD shoud also address the following concerns:

1. Increase the number of Fair Housing and Equal Opportunity complaint and compliance staff and increase travel funds to allow staff to conduct more effective investigations.
2. Re-implement HUD forms that capture racial data information and how HUD funds are serving low and moderate income persons needs. Without this data it is difficult to develop statistics to address discrimination of minorities.
3. Cancel the HUD policy memorandum that contains restrictive covenants relating to retirement and adult housing developments.
4. Review and stop the effort to administratively change the requirement of having to prove legal intent in lieu of addressing affect. The current Civil Right Laws only require that affect should be addressed; there is no burden to prove legal intent.

Thank you for allowing me to participate at this hearing.

Sincerely,

Leonard Chaires

Leonard Chaires

Mr. **Bryant**. Thank you for being here.

Our next witness is Ms. Jean Brown-Braddix, executive director of the Jefferson Housing Authority.

STATEMENT OF JEAN B. BROWN-BRADDIX, EXECUTIVE DIRECTOR, JEFFERSON HOUSING AUTHORITY

Ms. **Brown-Braddix**. Thank you, Congressman.

It's really quite an honor to be here in such a large city, especially since I'm representing a town of less than the area of public housing in west Dallas area. I represent a town, Jefferson, of 2,600 people, and a very small housing authority.

However, the kinds of things that have affected us in our little east Texas town, 167 miles from Dallas, is I believe slowly encroaching upon the Dallas area, and that is that we were one of the 25 housing authorities that was not in compliance, and as far as William Wayne Justice was concerned, we needed to clean up our act.

I gave you in essence some of the things that we did in that particular housing authority to try to—and not only try, but did accomplish what our goal was. And I just wanted to elaborate briefly on what was done. I think—I'd like to speak not only from the fact that I'm a housing authority director when everybody here that has spoken to you has been kind of on the other side of the fence, if you would, so I didn't know whether or not to be defensive, or whether to just crawl up under the table and pretend not even to be here.

But we work hard. We try to do the kinds of things that have to be done, and those of us in small housing authorities who are the only one doing just about everything—we don't have staffs to do. We are the ones that have to do it all. We're the ones that have to subject ourselves to whatever. We're the ones that have to do all of the reporting.

So I want the record to show that those of us especially in east Texas, in the small housing authorities of east Texas, are doing exactly what the mandate puts forth to us. We're pretty successful in what we've done in the city of Jefferson. We had some hard times going about it. Our main problem we found out was the lack of cooperation from city officials who did not encourage any of the things that we were doing. I even have to say, and maybe I shouldn't say this for the record, but I will, my board was not necessarily wanting to do the things that had to be done.

So I had a fight on my hands, but we were able to accomplish the kinds of things that we're doing as far as discrimination was concerned, was that we were pretty much discrimination in reverse. We had one complex that was racially mixed. The other complex was black. The black complex was the one in which we had to make the change. The changes were made in many ways, and as I say, the report does show it in brief. I didn't make a large report. I don't believe in them for some reason. I think I wanted to make it as brief as I possibly could.

We followed the mandate as much as we possibly could. We will continue to do so. We have met the goal. We met it in less time than HUD mandated we had to have x number of Caucasians living in our black complex. That was done in about 4 months time.

With transfers, with people doubling up, with—not everybody stayed because two left, as I say, because of relocation. One left because he thought he'd better before something else caught up with him. But it wasn't that he wasn't welcomed in—became a part of the community.

The hardest thing that we've had to contend with in moving or relocating anyone is our elderly clients. They have been there in the complex some 25, some to 31 years. They don't like to be moved. Their church is there. Their friends are there. Their family is there. And even though we have ordered some of them to move, those kinds of things were not always the kinds of things that had to be done.

I'm doing it on a very small scale, and doing it on a 1-to-1 basis in meeting everybody more than half way, having them also do the kinds of things that they would encourage what they wanted. It has worked in a difficult way, of course, but it has worked.

And I would encourage those of you to realize that even though you might have a Roseland Homes, it too is going to get the same mandate, I believe, as well as some other areas, and although we're talking about fair housing, and we're talking about discrimination, we better start looking around to how we're going to meet that change because it is coming. It's coming, and it's coming soon.

I certainly want to thank you as I say again for allowing me to come. I have more things that I'd like to say, but I too have been here since 9, have missed two flights back, and want to wrap it up with you.

I'll answer questions if you have any.

[The prepared statement of Ms. Brown-Braddix follows:]

TO: Hon. Henry B. Gonzalez
Hon. Steve Bartlett
Members of the Housing and Community Development SubCommittee

FROM: Jean Brown-Bradix, Executive Director, Jefferson Housing Authority

Whatever effects Dallas has, as large as it is, is bound to spill over into the small housing authorities, especially in East Texas. We have another problem that began with the judgement passed by Judge William Wayne Justice, concerning racially segregated housing in East Texas.

In reading over the appendix of the Civil Action # P-80-8-CA concerning Racial Occupancy in Housing Projects (which includes Jefferson), several discrepancies were noted, especially as far as Jefferson was concerned. I am not sure exactly when the data was compiled, but I came aboard in 1983 and found TX 44-1 was racially mixed. We had our black complex (TX 44-2) totally filled at the time, and we were waiting for a vacancy to move caucasian families in, PRIOR to any mandate established March 84.

I speak specifically for and representative of the 35 counties and/or the 62 housing authorities in those counties in East Texas. Twenty five of those housing authorities were immediately gien a mandate to come up with a plan of action to dis-establish a dual housing system.

The city of Jefferson's Housing Authority was among those 25 so ordered. Our plan of action included desegregation of an all black complex, relocating those over and under-housed tenants, especially the elderly, and hopefully alleviation of any disparities among the two sites. Our action plan was put forth in two phases:

Following a task force and publichearing, I called a meeting of all tenants to allow them to be apprised of the situation, and requested their cooperation with voluntarily transferring, if requested to do so.

It was also necessary to look at the waiting list, and almost without regard to said list, select the next CAUCASIAN persons on those lists, using that as high priority when the persons who at first stated that they would voluntarily move from one section of town to the next, did NOT follow through, but moved out instead. Most were caucasian, although there were also some black families who moved rather than transfer.

The most traumatized of these residents who were required to transfer because of being in overhoused situations, were our elderly residents, some of whom had lived there between 25 and 30 years. One woman did suffer a minor stroke as a DIRECT RESULT.

Incidents of violence toward the power structure (i.e., the Executive Director) were common. Examples of this include bashing in the car fender, obscene phone calls, minor robberies off of maintenance (things that never used to disappear), extreme planting of known criminal elements who would entice the executive director with stolen goods and then accuse her of accepting said........but despite this, the plans of operation submitted to (at that time) Dick Eudaly, were outlined and as much as possible, were carried through.

These kinds of things may have occurred in other housing authorities in the East Texas area. Much publicity from outsiders (not usually local but surrounding media..TV,radio, newspapers) were curious to know what was happening.

One of the problems here, and possibly in some of the other areas (as I talked to other executive directors) was lack of real cooperation toward solving of the problem by the local city officials.

There were many positives: It did draw somewhat the community of residents toget her. Several elderly chose to live together (as if they were each in one-bedroom units) so as to give up space to a 2-bedroom needy family.

With attrition in the black area, it was fairly easy to bring in hard-to-house caucasin families because their housing need was desperate. Part of our plan was to move seven caucasions into that area. A total of eight families have moved in AND OUT. Two left because of relocation; one because of a potential drug bust and was asked to leave (paraphernalia was found and confiscated by managerial staff), five remaining in place. At present, until modernization is further underway, it will be necessary to keep certain apartments vacant for relocation purposes. As soon as that is complete, we will start back to procedure on the waiting list.

Frequent monitoring by HUD task force alerts Regional to all phases of the desegregation plan as it evolves.

Almost immediately, implementation of Phase II began, with a needs assessment of the two complexes to dispel any major disparities between them, thus enabling the marketing strategy to encourage people to live in either place, wherever the vacancy would fall.

Jefferson, as well as the twenty four other housing authorities in East Texas, were awarded between $400k and 1½ million (depending upon size) of CIAP funds, and most are in some stage of operation.

The plight of public housing in East Texas could, in some ways, be threatened by economic development. The problems as seen by this person, in the immediate counties of Marion, Harrison, Henderson, Rusk, Upshur, and small and rural areas, is that there is not enough industry to provide jobs for people. As a result, we are getting into the area, more and more persons with little or no incomes that we are obligated to house. In Marion County, for example, the majority of applicants who come seeking assistance from the Housing Authority are black female heads of household, or elderly female heads of household, who live in deplorable ramshackle conditions. There are no jobs for their menfolk, who seemingly perpetually help them to enlarge their families, but no incentives are offered to allow them to make a change.

Housing Authorities such as Jefferson's are quite hard pressed at this point to maintain themselves without operating subsidies from HUD, which I would like to see reduced. However, even with my broad range of income, the mandate from HUD to house persons of very low income has me with eleven of my forth six tenant families who are paying zero rent and are receiving monies to assist them with their utilities. This is putting quite a strain on the operating budget. This is happening in ALL smaller housing authorities.

The United St ates Department of Housing &Urban Development and the cities, including Dallas and Jefferson (two extremes) are all in somewhat of a dilemna. Everyone needs to be housed in a decent, safe, and sanitary environment. However, budget constraints, cancellations by insurance companies, little protection for administrators of HUD programs in local authorities (legally OR physically) preclude our abaility to carry out our moral obligation to society, and especially to those who need us most.

There is no question in my mind that segregation is wrong.
Dual housing complexes should never have been.
But neither can we make immediate changes. There is not enough available low-rent housing.

It has been established that a situation has been permitted. That was ten to fifty years in the making. To instantly change people entrenched in their way of life, is difficult at best, because of insufficient numbers of units in which to place them, as well as those who are still on the waiting list waiting placement.

To talk about selling or demolishing existing units without an alternative setting to house the displaced as well as the existing (and growing) number of families roaming our streets, AND those on our waiting lists, seems a possible but at this point an almost insurmountable task.

The ability to create any change seems in my estimation to fall solely on the executive directors of the housing authorities so mandated. We are pouring the concrete after we walk our own path.

How can those of us representing small housing authorities, who could more easily remedy the situation (by virtue of numbers) be able to assist housing authorities of Dallas, Houston, San Antonio...and spillovers thereof...if any of us are to succeed?

Members of the Committee, we stand ready to do our job and are willing to "bite the bullet" if you will. We need more directives. We need community development involvement, directed at the total housing needs of our various communities. We need to carefully follow through our Housing Assistance Plans. Housing Authorities and cities need to be reminded to travel this road HAND IN HAND.

Mr. **Bryant**. Thank you, Ms. Brown-Braddix.

Our next witness is Mr. Mike Daniel with the law firm of Julian & Daniel.

STATEMENT OF MIKE DANIEL, JULIAN & DANIEL

Mr. **Daniel**. Thank you, sir.

My name is Mike Daniel. I was a lawyer with Dallas Legal Services. I've been working in an area of housing and civil rights for the last 10 years.

We represent the plaintiffs in the lawsuit that is giving Ms. Brown-Braddix such a fit in east Texas; we represent the plaintiffs in another lawsuit which found HUD guilty of intentional discrimination and support for segregated housing in Texarkana, AR; we are currently trying to negotiate a solution to the problems with segregated HUD assisted housing here in Dallas County.

As an illustration of that problem, earlier today we talked about 221(d)(3), the MIR project that is going to get torn down. I met with some of the tenants there who were concerned about it, and it is in far north Dallas, and it is a nice apartment complex, and when they were stating their case about why that project shouldn't be turned down, they said, and rightly so, that it was a very, very nice apartment complex and had been very well maintained over the years. And the reason they were able to do this is they kept the color down.

And that's true. We have a dual system. We have old inner city housing for blacks, and we have the newer outer city better location housing for whites.

You look at DHA's map and they've got all their dots on it for Section 8 Certificate Program. There are no dots in the suburbs. There are very few dots in the north Dallas. Where the dots are are in the minority areas. Ninety percent of the section 8 certificate tenants are black.

Eighty-eight percent of those tenants live in heavily minority impacted areas. Why do they do that? Why are they there? One, they're steered by the housing authority. The housing authority recruits landlords in those areas. The housing authority does not recruit landlords in white integrated or better areas.

The tenants are given a list, the list determines where they start looking.

Second, the housing authority and HUD maintain an artificially low rent ceiling for section 8. HUD's rent ceilings are ridiculous. The housing authority is even more ridiculous the way they administer the program.

Example. We're suing an apartment complex in Pleasant Grove for racial discrimination. It sounds like a place that Ms. Crawford needs to get her people into. They have all the services for everybody. You get your groceries brought to you twice a month. You get a free meal every day. It's wonderful. But again there have been very few blacks that have been able to live there.

What was happening was the black applicants would come in and they would get no satisfaction. White applicants would come in and they would get—if they couldn't get put right away on the HUD Section 8 Set-Aside Program, they would be told don't worry about it, we'll give you 1 month's free rent and then we'll put you on it. Black applicants would come in and Georgetown would say no, we won't take your certificate because DHA won't pay us enough. We're getting $290 a month from HUD, and DHA won't pay that.

After the lawsuit, and the process of settling this lawsuit, we went to the housing authority and very politely asked them to raise their rent. If they didn't raise their rent they were going to be in the lawsuit.

The housing authority has agreed to raise their rent, and now these section 8 certificate holders, black families, have got access to this good, decent, safe, sanitary, housing in a nonimpacted area.

But for years the housing authority's refusal to allow enough rent to afford this housing, plus their steering of whites to this place and not blacks, had denied black families access to this housing. That is a system that we have in Dallas County.

The Morning News articles, excellent factual description of it. The eastern district's opinion in the east Texas case gives, I think, a very thorough legal analysis of it.

The judge's words of calling it a system of anti-apartheid, apply to the system here in Dallas. You've heard about it. It's there. The details are in things that are already before the committee and before the Congress.

I think that the interesting question is remedy. Remedy for Dallas County. The variation of DHA segregation that we have is that all the DHA family housing is black and in black neighborhoods. And it's the other housing that is white and it is white neighborhoods. So Jack Herrington sort of throws his hands up and says, well, how am I going to desegregate? All my families are black. Well, in this case what it's going to require is the offering of an integrated housing opportunity to all the black families who are currently being forced into an all black housing situation.

What is the best program for that? I think at one time we would say it said it has to be new public housing units. We're not so sure anymore. First of all, it has been 30 years since a family public housing unit has been built in Dallas County.

We went all the way to the Great Society, and every other program, and did not get a single unit of family public housing for a black or a white. I think a remedy depends on the existence of more public housing is one that is doomed to never be implemented.

That means we have to look at some other programs. The other main program is a certificate/voucher type program. That is one that politically I suspect we're more liable to get resources in than in the public housing. However that should go, I think it's going to end up on the Certificate/Voucher Program.

That has got some real appeal to it. One that can be fast. Two, it has got the potential for bypassing the incredible hostility and rage that the thought of a low- moderate-income housing project invokes in any neighborhood association. The white neighborhood associations are worse about it.

The black neighborhood associations say we have enough. They don't want it either. The whites can't say they've had enough because they don't have any, but that is awful.

It is not a fight that needs to be fought as a remedy for this problem with segregation.

On the other hand, it is not just enough to say Certificate or Voucher Program. You've got an excellent example of what happens to the Certificate Program, or a Voucher Program, without something else added. There is a model for such a program that can work that apparently the committee is going to talk about in Chicago.

There is a remedy for desegregation that uses the Section 8 Certificate Program, but what they have also is an advocate referral information seeking and dispersing information called the Metropolitan Leadership Council that; one, locates the housing in the suburbs, and in integrated areas that are able to utilize the section 8 certificate, two, the leadership council finds people who want to go out to that housing. They put the two together, they facilitate the paperwork, they've got some breaks from HUD on the fair market rents. If necessary, they do the advocacy to get the people into the program.

That, I think, is where we need to be looking for a remedy. In that process we need some things.

One, there's no reason not to be in the suburbs. That's silly. Particularly the Section 8 Certificate/Voucher Program. There is no reason for that to be limited to the city of Dallas.

The housing authority knows that, and hopefully in the short-term future they will be changing their policies on that, as will HUD.

The other thing is that there should be no reason for a private landlord to refuse somebody with a certificate/voucher. Why? They don't want it? Right now they may refuse to deal with the housing authority, but if you've got a certificate or a voucher that really means anything, it should also be illegal to refuse that.

With those kinds of considerations, and there is a possibility a certificate/voucher working as a remedy for the amiable apartheid that we have in Dallas County. We think that, and hopefully in the next few months there will be some action and some movement on this area because we do currently represent a large number of black families who want out. They don't like the neighborhoods that they have to live in, they don't like the housing that they have to live in, they want to be near jobs, they want to be near decent neighborhoods, they want to be near decent schools.

We've been retained to take all legal action necessary to do that in the process.

Thank you.

Mr. **Bryant**. Thank you. And I thank all members of the panel. The Chair would recognize Congressman Bartlett.

Mr. **Bartlett**. Thank you, Mr. Chairman. It's quite an extraordinary panel, and I'm quite grateful that you all did wait since 9 this morning, and presented us with some excellent testimony.

Let me begin, I suppose, on the issue—the issue with Mr. Daniel. I really feel compelled to say this, and then I want to go on to a question, and that is I find it easy to stereotype people, but I don't find it very productive, and if one resident at Webb Forest made one stereotypical kind of reference to, as you said, we don't allow coloreds in here, I'm not certain that that would necessarily reflect all the attitudes of all of the residents of each individual human being at Webb Forest.

Let me inquire as to your—and yet later in your testimony you did say some things that I found to be quite intriguing and correct, that is, if a remedy depends on new construction of new units, then the remedy will probably never come to pass.

If in order to make the Certificate/Voucher Program work, which if it works well, and if we implement right, become the ultimate freedom of choice, if we were to make the fair market rents real, for example, and if we were to—if we were to lead people to their own devices to choose to live in the neighborhoods that they want to live in, and if we were to insist that public housing residents be eligible for section 8 and/or vouchers, and if we were to strictly enforce fair housing, then in your judgment, and perhaps in Dr. Hunter's also, do you believe that the Certificate or Voucher Program can solve the problem of desegregation of public housing in Dallas?

Mr. DANIEL. Well, like I said, we think a Certificate/Voucher Program, if properly structured, is a much more likely remedy. I think there are some things in your assumptions that we can say and pass off, and that is really enforce their housing. We don't now, and to do it means causing a fair amount of pain for people who we normally don't like to cause pain to. It means going out and proving and accusing people of discriminating against people on the basis of their race.

Now, that is a fairly serious accusation. It takes resources. It takes time, and it causes acrimony. But that has to be done for any kind of a Certificate or Voucher Program to work. That's why I think that somebody in there who is getting the tenants who want to go out there and getting them together with the housing is able to be an advocate for them, is really necessary at this stage because those areas are out there. Black families know they are not welcome in those areas absent somebody out there being decent to them.

Just let me finish. She didn't tell all the story about Webb Forest. I said, well, how did they do that? How did they keep all the colored out? Oh, just every time one of them came up on our waiting list they would jump over them. They would get tired and they'd go away.

Mr. BARTLETT. This was the manager, or the owner, or the——

Mr. DANIEL. The lady was very—seemed very well acquainted with it, and would not be—whether that actually happened at Webb Forest, Congressman, who is to say. There is a pattern that we have seen in much of the HUD-assisted housing, not just in Dallas County, but throughout Dallas County and east Texas. But you've got to have something in there to help break that barrier. It does exist.

Mr. BARTLETT. My question, and I appreciate you going on further, but I suppose what your testimony is is that regardless of the problems, and I don't pass off the assumptions of the problems and the difficulties lightly either, I've been working on them all my life, but in any event, that the Certificate or the Voucher Program is more likely to succeed in desegregation than any attempt to build new units of public housing. Is that generally your testimony?

Mr. **Daniel.** Yes, sir; that's generally my testimony.

Mr. **Bartlett.** Ms. Brown-Braddix.

Ms. **Brown-Braddix.** May I react to that a little bit?

I think I did something in the way of leveraging in both of the small towns that I am a housing authority director. I found the landlords all over town who were hurting, and found out from them that they were agreeable to the "guaranteed income" that would come from the section 8. And as a result were able to refer to them, whoever was on the waiting list, and most of them at that time were minorities. There were a number of other landlords who had not—and in various sections of town, who had not rented to minorities before, but didn't want to lose those units that they had bought speculatively, or otherwise, and realize, well, if this is a way that we've got to go, and then they found that they had very good tenants.

Mr. **Bartlett.** I suppose it does show up somewhat graphically on the map. As the map shows, with the segregated patterns that we see in today's section 8, are nowhere near the segregated patterns that we see in today's public housing units, and I suppose that's the basis of your testimony.

Mr. **Chaires.** Steve, could I comment on that?

To use freedom of choice, and that's a catchy phrase, but that was the cause of Parmar [phonetic] Program, and the Public Housing Program, you know, several years ago, which led to separate but equal facilities. The presumption being that if you had freedom of choice, I as Hispanic would like to live with Hispanics.

But the problem here in terms of these vouchers are that 68 percent of multifamily housing apartment complexes in north Dallas do not accept families with children. This imports more heavily on the poor, minorities, and female head of household; since this group will usually have children. The vouchers will not work fairly for families with children.

Now, housing vouchers will probably not—you'll never ever have enough housing vouchers. The other thing is though that you'll be utilizing existing housing, apartment complexes. Needed is new construction of low and moderate income housing. I don't know how you're going to get it because like Mr. Daniel says, you know, it's very hard to overcome the litigation that's being developed by these suburban communities. But I say you have to keep trying because they have to have housing somewhere, and pretty soon if the have-nots have nothing, then they're going to try to look at who has it and they're going to take it away from them.

Mr. **Bartlett.** A followup question then as far as the solutions, and we have all kept up with the facts of the east Texas case, and what could become the Dallas Housing Authority case.

I suppose, let me move from the facts of that into the solution to the remedy.

Would you advocate either in east Texas, and this would be for Mr. Daniel and Ms. Brown-Braddix, and perhaps Dr. Hunter, would you advocate as a remedy either in east Texas, or in Dallas, forced to require moves for residents that are currently living in one location? Would you advocate that they be required to move to another location, or would you advocate a solution that would use as its patterns incoming residents, or new residents to desegregate public housing?

Ms. **Brown-Braddix**. I think we can do both. The way it has been done was those residents, especially who might have lived in one location whose family size had either upped or downed, or got smaller or larger, when we found that there was a vacancy in the other location where we could move them, this is the way that it was done when their family size changed.

That helped, and then as I say, with the combination of bringing in new residents, is a leveling off.

I frankly don't believe the force issue. As I say, I try to force on someone, and it was a rather dramatic one.

Mr. **Bartlett**. And that was the victim of the stroke?

Ms. **Brown-Braddix**. Right.

Mr. **Bartlett**. Dr. Hunter, what kind of remedy would you—in public housing, would you advocate?

Dr. **Hunter**. In public housing I would indicate a combination. I think that there are certain cultural factors that we must take into account if there are long established residents, and if at all possible, they should not be forced to move.

There are some who may be in place, however, which could be asked to move even though they had been there, and even though they're not ready to move because the family is growing, and so forth.

This is possible, but I think it ought to be a point of negotiation though, and then new residents—negotiations with the residents, with residents and management.

And then when new situations arise—of course, this would be the easier way to do it.

Mr. **Bartlett**. Mr. Daniel.

Mr. **Daniel**. If I give you a yes or no answer, will you let me explain a little bit?

Mr. **Bartlett**. Sure.

Mr. **Daniel**. I think the answer is that in many cases people have to be transferred. Yes, it is a forced transfer. The situation that we're trying to remedy was also a forced situation. People were not given a choice of living in the black project or the white project. They wanted the housing they were told they would get in one or the other. That situation was forced. It took some force to remedy it, and bring the situation into compliance with the constitution I think it's legally justified.

Well, we think it's a better solution, is to bring about a situation where you have some new resources either through new public housing units, or through this use of the certificate program that we're talking about. So what you can do is say you have 100 unit white project and 100 unit black project then you either build another 100 unit project, or you make available another 100 units some way.

Now, you've got new units available. You take tenants and you'll get many more volunteers from the white project and the black project to go to the new housing sources, that that way—that new housing source will be integrated. You make sure it's integrated because you just—you don't take people until it's going to integrate.

You now have opened up a bunch of vacancies at your old black project and your old white project. That you can probably fill with incoming tenants, and you have avoided the situation that is so distasteful to everybody, and that is forcing people to move. That does require new and additional housing resources to make that remedy work. And that is a remedy that our plaintiffs consistently want.

Mr. **Bartlett**. That's the remedy that you would urge—your clients would urge—superior choice than forced, but you would be prepared to accept force also?

Mr. **Daniel**. Yes; sir.

Mr. **Chaires**. I'd like to comment on that, Steve.

I have to come down on the order of forced movement. In 1974, I made the decision to place the Dallas local housing authority in apparent non-compliance. What that meant was that they were not complying with the requirements that were to be followed at that time—the methods of administration.

Had they sustained that decision rather than caving in politically and getting modernization fund which were wasted, we would still have kind of a more balanced program of blacks, and whites, and Hispanics living in that public housing project in Dallas.

So it comes down to like the commercial, pay me now or pay me later. If you have a small problem hit it in the head so you can keep the problem small.

I think if you continue to let the problem fester you're not going to have anything but a bigger problem.

Mr. **Bartlett**. I thank you.

Mr. **Daniel**. One reason for that, our position on transfer, Mr. Congressman, is that one thing is we watched in east Texas is that anywhere from 5 years to 10 years HUD, FAGO under Mr. Chaires, was trying to integrate or desegregate through a gradual attrition based mode, and it worked. And there is a long record of that in HUD and not just in east Texas and Dallas, but throughout the country where attrition has not worked to desegregate.

Mr. **Bartlett**. I thank the witness.

Mr. **Bryant**. Thank you to all the members of the panel here for waiting all day long to testify and benefitting the members of this subcommittee and the whole Congress, I hope, with your testimony.

Our next witness will be Irving Statman, former director of Department of Housing and Urban Development in the region located here in Dallas.

Mr. **Bartlett**. Mr. Chairman, before Mr. Statman begins, I'd like unanimous consent to enter into the record a letter that was submitted to me from Lonnie Daniel who is a resident here dated June 14, 1985 concerning lease agreements with HUD. I think it would be useful for the subcommittee to have access to that.

Mr. **Bryant**. I'm sure there will be no objection.

[Letter of Mr. Daniel follows:]

6-14-85

To: Department of Housing and Urban Development
451 7th Street SW
Washington, D.C. 20410

To Whom it May Concern:

Enclose is meterials to said partie, seeking for an understanding about the Housing authority of the City of Dallas-DHA Low Rent Dwelling Lease-so called. Please read the Lease very very carefully because if you do not you might not see anything wrong. For an example, we heard on T.V. the senior citizens were to get a raise this pass January 1985, DHA sent us a letter to come in to sign an amendment before we receive the raise and that was about (6) month before our annual income of reexamination of income. You know thats not law Federal Register/Vol. 49, No. 99/Monday May 21, 1984/Rules and Regulations-913.106. another example, my daughter, have a job working trying to get out of the project every time she get a raise before her annual reexamination of income she has to report it to DHA, and then her Rent goes up accord to the Lease, Read part II No. 1. You nor anyone that live in those project will never get out of those projects. This only discourage people that would work and get out. Do you understand? Please read the Lease carefully its other things is not by the Hud Law no matter what. Please respond.

Lonnie Daniel
3307 Munger Ave,
Dallas Tex. 75204

STATEMENT OF IRVING STATMAN, FORMER DIRECTOR, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Mr. STATMAN. Thank you for inviting me here. The purpose of me being here is not to espouse or pursue any particular point, but as being a member of HUD in executive capacity for 15 years some people felt it might be useful for me to be here as historical perspective, and I'm just making scatter shop comments. Refer to my copious notes here.

I think there's a lot of things that was said that if put together we could bring out certain points. We know that there is a finite amount of resources for housing, and we need to make the best uses for these resources.

Now, when the Section 8 Program first came into being, came in under freedom of choice, every program has to have his little watch word, the mathematics in the case were you'd be a lot better off with existing units as opposed to building new units. I mean, that's just simple mathematics. And the original proportion was that it would be 70 percent existing units, in other words, give somebody a voucher and let them find their own home, and 30 percent new construction.

Well, after the lobbyists got through, after your bankers, builders, realtors, architects, et cetera, got through co-opting the program, they reversed that.

So now our new program at that time knew, the 236's, the rent supplements, went in the other direction even though there wasn't——

So we ended up housing a lot less people.

I think everybody sees right now that with our limited sources the best route to take is the section 8—each administration invents the wheel—now it's called voucher system.

I have one problem with the voucher system. The voucher system says you can go ahead and pay whatever you want to. We'll give you *x* amount of dollars if you want to pay a disproportionate share of your residue income, go ahead and do it.

I've seen a lot of people, especially elderly, who have paid such a disproportionate share of their income to rents that they really don't have the basics left. I've been in the households of elderly people who were eating dog food and they didn't have any animals in the house.

So the point that I'm saying is if you go and encourage people to pay a disproportionate share they're going to suffer. There are things worse than living in substandard houses, and that's not having enough to eat.

But the answer still is either an existing or a voucher type system.

Mike mentioned that that would be one way of breaking the segregation cycle, and I agree with him, but the rents have to be raised.

Now, he made one point that I didn't understand. If I walk in with the rent voucher that's worth $300, and my debt service and expenses is $400, there's no way I'm going to let you in.

Now, I can't argue with him about the steering. I don't know. But I do know the mathematics in your income versus expenses and debt service is such that you're excluding many, many areas with the rents.

I do believe that the rents are too low. I think that if you wanted to desegregate one way to do it is to raise the rents where people could find places outside of your low income areas.

As far as applying the remedy to the Dallas Housing Authority, I don't understand. The victim is dead. You're talking about 97-percent minorities already. You don't have enough whites to go around to relocate to different places.

Now, the few whites you have are in elderly projects, so you're not going to move elderly people in family projects. Then you're overhousing them, and you're not going to move family people in elderly projects because they'll be in substandard situations where you have two or three children living in one room.

I think the victim is already dead in Dallas. The only solution, and one of them that Mike came up with, would be a more extensive voucher system, or section 8 existing freedom of choice, but that will not work unless you increase the rents because I would attribute most of your refusal by landlords not on the racial issue but strictly on an economic issue.

There was a lot of conversation about Washington Place. I think in fairness to Jack Herrington you have to explain that Jack Herrington got embroiled in a situation where you had a change of administration, and the rules were changed on him. The original agreement was changed. The agreement that Jack relied on when he negotiated with Baylor. So Jack is now with a change of rules. He also had neighborhood opposition.

There is nothing more frightening than having a bunch of neighborhood people feel that you're intruding on their neighborhood. I mean, I've been a victim of that type of syndrome and I've had death threats to me, my family. They even offered to poison my little black and white dog.

So unless you've gone through that, it's very frightening.

And now with the success of the neighborhoods have had, the neighborhood organizations, you're never going to get a project going in this town. I don't believe that you'll ever get a new project built in this town based on the neighborhood opposition which turns into the political realities.

The other problem is if you will look at your half, from your half is excluded most of your north Dallas areas because of economics. Now, you can't pay $5 for a piece of land, build 100 units, and sell those for $40,000 a unit. The math just isn't there.

The half which was predicated on the southern end of town already has its segregated units, so let's go to the north. So there's no way from a realistic standpoint you're going to get any new units up north. So you're back again to the voucher system. I mean, everything from a segregation standpoint, from an economic standpoint, from the neighborhood opposition standpoint, dictates that you stand from the possibility of housing people, even at $40,000 a unit.

Let's say you raised your rental income, your fair market income from $6,000 by $600 a month, or $7,200, you could still house six people for the same amount as building one $40,000 unit.

So I think that when all the pieces are put together the direction you have to go is with existing units.

Now, fortunately, or unfortunately, Dallas has land all the way to Oklahoma.

Mr. BRYANT. You might have misspoken. You said the way you have to go is with existing units.

Mr. STATMAN. Yes, with vouchers, or existing section 8, as opposed to trying to build new.

Now, fortunately, or unfortunately, Dallas has always had all the land they want. I mean, we can go all the way up to Duran, OK, so we've been using the throwaway system like your Bic razor. You use it a couple of times, throw it away, and get you another one. Well, that's what we've done with housing stock here.

I think it's time that we need to conserve that housing stock.

The only other thing that nobody—I know that we're concentrating on public housing here, but there is a stock of other subsidized housing with different degrees of subsidy, and that is your HUD insured section 8, your 236's, your BMR's, your straight section 8's, and your D-3's.

Now, the only reason people acquire real estate is for three reasons. There's a tax advantage. There's a cash flow. There's cash on cash. Profits. There's a hope for appreciation.

Now, on most of your HUD projects, No. 1, there's only a 6-percent limited dividend, and that 6 percent is predicated on your investment. So you can't—very few of them do it, but if you did cash flow enough you can only take 6 percent of your investment out of it.

So that's not a very good investment for return on your money.

A lot of these projects, most of them because they were built in the poorer parts of town, and the parts of town that don't have linkages, there's very little hope of appreciation. So the only thing left is your taxes, your tax shelter.

Now, most of these older projects have had their tax shelters already burned off, so you get other people that come in and resyndicate these.

Now, with some of the new tax laws, your new real estate laws, if they come into effect you're going to take away the last incentive. You're going to take away the tax shelter incentive, and you've already lost whatever—well, you never had the incentive for making money off of the appreciation. And there is going to be an awful lot of property getting back to HUD.

There is in the Houston office area now, I met with some people that wanted to talk to me about consulting with, there is $300 million worth of projects that are subject to go back to HUD, which means on one hand stopping and saying, well, the Government is going to lose all this money on these tax shelters, but on the other hand, and I think this is insidious, a lot of people don't realize it, if all these projects go back—this is a guy that's exacted all of his tax shelters, he's been in it long enough with the recapture very minimal because he's had rate exchange, he'll give it back to you. And if he gives it back, two things are going to happen.

One, you're going to lose some of the precious housing stock needed to house these people, and the second thing is when you get through hiring hundreds and hundreds of people in the property disposition section to maintain this property, and when you finally sell it for 30 or 40 cents on the dollar, and that's what we were doing in 1972, that would more than strip the tax losses and tax shelters.

Thank you very much.

Mr. **BRYANT**. Thank you for being here.

Congressman Bartlett.

Mr. **BARTLETT**. I want to thank you for some excellent testimony, and I want to publicly thank you, Mr. Statman, also for the assistance that you've given to me, and a good deal of technical assistance in trying to understand the rules and regulations of HUD through the years. I still don't, but——

Mr. **STATMAN**. I never did. I just didn't tell you I didn't understand.

Mr. **BARTLETT**. I was interested in your testimony today because I never heard you say it before that you're essentially willing to—or not willing, but you believe that a formal productive way to go at this point is through vouchers or certificates, and then through trying to construct new units of public housing.

Mr. **STATMAN**. Let me explain my metamorphosis.

Mr. **BARTLETT**. Of course, I've never asked you before either, so——

Mr. **STATMAN**. Well, for 15 years I lived in the never, never world of HUD, and I had my check coming in every 2 weeks, and I had many developers trying to explain to me the pragmatics and the reality of NOI, which is a net operating income, and debt service, and I used to see that on a piece of paper and it was easy just to change figures. I didn't realize it in the real world those economics are there, and the economics today with the limited amount of funds that we have are not there to build more units.

Mr. **BARTLETT**. You heard the testimony today, and I want to find out some more details to flush it out, but some of the testimony would indicate that—the DHA testified that two out of every three certificates they issue, the person is not able to find a unit within 60 days.

Assuming that the problem is that fair market rents are set artifically low, give us a lession in HUDese. I find that HUD is pointing to Dallas Housing Authority and saying it's their fault, and Dallas Housing Authority is pointing to HUD and saying it's their fault.

Who is in a position to correct the fair market rents and/or the lack of ability to find the unit?

Mr. **STATMAN**. I don't see how HUD can blame the Dallas Housing Authority because it's the economist at HUD that set these fair market rents. They're the ones that look at 1980 census figures, and can do some magic interpretation.

Mr. **BARTLETT**. I said by HUD, not by Dallas Housing Authority.

Mr. **STATMAN**. No, by HUD. Now, somebody testified that Dallas Housing Authority took it upon themselves to come in with lower than the fair market rates. I've been out 3 years and I'm not familiar with that. But I've never heard of any housing authority be willing to accept less than the fair market rents because we always were being—because we didn't set high enough.

And I really can't vouch for those rents. Reminds me of the story of these two guys who are lost in the balloon, and they were in a storm, and finally in a clearing they looked down and yelled where am I, and the guy said you're precisely 91 feet above the ground. He said, with our luck we found an economist. He said, how did you know? He said, where else do you get such precise but useless figures.

So, that's what you're dealing with with fair market rents.

Mr. **Bartlett**. So it's going to take both to get the rents up to the true fair market?

Mr. **Statman**. You know, I'm trying to build and I can tell you within 13 cents what I need to rent that thing, and I think any other developer can tell you that.

Mr. **Bartlett**. I've always said, of course, and you've heard me say it, that what we really ought to do is to switch arms of the Government, that is to say, we ought to have HUD set the prevailing wage, which is historically set too high, as the Department of Labor set the fair market rent, which is historically set too low.

Actually, I got that from Jewell Crawford also, but one last, and that is with your metamorphosis to endorse certificates and vouchers as a direction as opposed to new units, are you also ready to—would you advocate that if you were in Congress with us would you advocate a sweeping overall in deregulation of HUD regulations to deregulate and to return the decision to local authorities?

Mr. **Statman**. Well, you were there. We had a three-ring circus at one time. We had HUD trying only to reward the stupid, and that's with your performance funding. If you ever save some money we take it away from the housing authority. And we have the housing authority, and then we had the city who is very, very apathetic.

Now, in the case of Dallas, but you perform the shotgun wedding between us and the city and HUD. And it worked out better. That's why you have police protection now, and that's why you have some of the things.

But with the city not caring, and, of course, the reason the city didn't care in Texas your housing authorities are autonomous, and they treated the city that way, stay out of our business, we don't need you.

But the city not caring, and HUD, it's what I call the Eastern Seaboard Syndrome, you know, the people that make the rules for HUD they can go to Philadelphia, and they can go to Boston, they can go to New York on a train, and come back and set a set of rules that they're going to impose on the whole country.

And I think that you have enough talent in each local city to be able to administer your program without this cookie cutter that HUD is going to juxtaposition on you.

Mr. **Bartlett**. Thank you very much.

Mr. **Bryant**. Thanks very much for being here today, for waiting it out for us.

Mr. **Statman**. Thank you.

Mr. **Bryant**. We now go to the list of public witnesses, the first of whom is Dorothy Masterson, the Dallas Tenants Association.

STATEMENT OF DOROTHY MASTERSON, DALLAS TENANTS ASSOCIATION

Ms. MASTERSON. I want to followup on some of the things that have already been said. One of them about children in rental housing.

It would be very helpful if we could get families with children added to the national fair housing law where you can't discriminate on the basis of age. That would be a great help in solving the problem that we're talking about. Why don't you work on that in Congress? That would help.

I want to say that there's another solution besides either vouchers or building new housing, and that's getting more existing housing into the subsidized housing pool.

First of all, keeping all the housing that we have. In other words, it wasn't a good idea to tear down Washington Place. I think you've gotten that picture.

Is it a good idea to let units like Webb Chapel go even though they may be segregated. That can be changed in the future. That housing that's already out there that is HUD subsidized and controlled in some way is sort of a natural resource like our—or a national resource, I should say, like our forests, and rivers, and so forth, and it needs to be kept just like Teddy Roosevelt kept all that forest land and wouldn't let it out of the public domain. That housing needs to be kept in the public domain.

Mr. Statman alluded to the repossessions in Houston. There's your housing. It's right there. HUD already has it. Why sell it to somebody for a few cents on the dollar when you've got it. It's all over the place. You know, in Dallas, Belmont Towers in Lakewood was in that situation; 21 Turtle Creek was in that situation. Those could be lovely places now for the elderly, for families, et cetera, if HUD would just hang onto them and put them into a subsidized housing program.

So that housing is there. It's just a matter of being creative, getting it, and using it for the people who need it the most. That's where you put the mothers with children who are on the streets. They could go right now to places like Webb Park because they can be housed there on an emergency basis.

A lot of those places, Western Park, Northwest Terrace, already have on site day care centers. In other words, HUD already has the housing, or the Nation has, or the city has, the housing to solve our housing problems. It's just that we need to use that housing for low and moderate income families.

And let me say that the new housing construction financed by bond money that we have on the city level, and on the State level, is not working. It's going to upper and middle income families partly because they're not monitoring it, they're not—well, the rules aren't set up right to start with, but it is not really helping the housing crisis that is creating homelessness, and in the Dallas Tenants Association we see this every day because we're there trying to keep people from falling out of housing, stopping evictions, paying people's rent, trying to house people on an emergency basis, to keep them in housing so they won't be added to that increasing number of homeless people.

You know, we get calls every day about an elderly cancer patient who is being evicted, or a mother with children who is living in a car, and we think that it's essential that these people be housed, and the housing is there.

Now, I would say this. If there are any places where there aren't any HUD-repossessed housing, then maybe there should be some housing constructed. But it ought to be bare bones housing. There's no point—when I say bare boned, it can include playgrounds, I don't mean that bare boned. But it doesn't have to include fancy bathrooms, excessive things, jacuzzis, that sort of thing, that they're actually putting in some of this bond money housing. It should be bare bones housing, and it should go to the people who need it the most. There's plenty of housing for middle income and upper middle income people out there. All those unoccupied condominiums, for instance.

So you don't need housing up there, and what I'd like to see is really getting to work with that housing in Houston, the housing in Dallas, and converting it to a real public resource which, in my opinion, it really can be.

So I'm sorry, Steve, I'm not really in favor of those vouchers.

The housing isn't there later. You know, the money is given out and you've dissipated it. If—I mean, sticks and stones, bricks, housing, you've got it, and it's there for future tenants.

Now, I don't object to cooperative housing where tenants come together and buy it together, and that's all right for public housing, but not straight sale. A cooperative where the equity sort of remains in trust and it can be passed on to the next generation. That's what I think.

And I have some other things in my prepared statement, and I guess you probably have that and can read those later.

Mr. **Bryant**. We accept your full printed statement for the record.

Ms. **Masterson**. OK.

[The prepared statement of Ms. Masterson follows:]

DALLAS
TENANTS'
ASSOCIATION

October 15, 1985

Honorable Members of Congress

I am Dorothy Masterson, representing the Dallas Tenants' Association. I want to thank you very much for coming to Dallas to conduct this inquiry. The Dallas Tenants' Association, with more than 6000 dues paying members, is the largest tenant organization in Texas. More than 100 people contact us each day for answers to questions and for help. Most of these people are of low or moderate income; most are minorities; and most are having difficulty meeting their rental payments.

Something must be done and done quickly about the lack of affordable housing in our community. On a daily basis we see women who are the sole support of their children as well as people who are physically or mentally disabled: they have no place to live. Last week we received a call about an elderly cancer patient who was being set out on the street. This week we are moving a mentally retarded person whose landlord refused to renew her Section 8 contract because of the mental disability. Recently we enabled several people to stay in public housing by helping them pay the very large sums of back rent the Housing Authority claimed they owed. Unfortunately, we had to tell several people this week that we do not have the money to help them pay the rent that would prevent their being evicted.

Dallas' crisis of homelessness increases as these people are evicted and have no prospect of finding another place to live.

2906 Swiss Avenue Dallas, Texas 75204 (214) 828-4244

Some are in cars. Many are doubled up with relatives, which means they all may face eviction again. At the same time, the supply of affordable housing is being demolished due to private redevelpment, or by H.U.D.'s allowing government owned or government financed housing to pass out of the public domain. We have perhaps 3000 homeless on the streets of Dallas today. These numbers will grow unless something is done to stem the tide of destruction of public and H.U.D. subsidized housing. This housing is surely as great a national resource as are our forests and rivers. It provides safe shelter for our elderly parents, and for our children to grow to adulthood.

Congress needs to understand that the voucher program will only be pouring our tax money down the proverbial rathole; it won't create any good, solid housing. The Section 8 certificate program doesn't work now because the H.U.D. rent ceilings are set well under market rent levels. Most of the tenants who are given certificates never find housing. It's not because they don't try. It's because they can't find landlords who have decent housing who will accept their certificates for the rent the government is willing to pay. If the voucher program removes the ceilings, it will simply mean that tenants will pay 50% or 70% of their incomes for rent, instead of the present 30%.

The best affordable housing currently available for tenants is that which was built in the 1960s under programs such as the 236 or BMIR or the Farmers Home Administration. Yet owners who built under these programs are now converting that very scarce housing resource into market rate rental property, or, as in the case of Webb Chapel, are demolishing it to make way for redevelpment.

This destruction of public housing and of H.U.D. subsidized housing needs to cease. It was a tragic mistake to have permitted the destruction of Washington Place. The housing with which it is being replaced is far inferior to that which was bulldozed. None of the replacement housing has more than two bedrooms, and the units are smaller. Much of the Washington Place housing had three and four bedrooms, which is the scarcest form of needed housing. Washington Place was a good community that was deliberately neglected, and then destroyed. It is now a parking lot.

More housing, not less, needs to be in the public domain. All H.U.D. repossessed houses and apartments could be maintained under H.U.D. management. If H.U.D. had not sold Belmont Towers, TwentyOne Turtle Creek and other repossessed apartments at ridiculously low prices, we would now have plentiful housing, in good locations, to house our elderly and low income families. In addition, H.U.D. could pick up abandoned properties such as Northlake. These properties are close to shopping and buslines, unlike newly constructed housing. Repossessed houses and duplexes could be good scattered site housing for children with families.

In areas where there is no repossessed or vacant housing, new "bare bones" housing should be constructed. The existing state and local programsfinanced by public bonds are a joke. They provide all sorts of amenities, and are being rented to upper and middle income people, who are the only ones who can afford the rent.

Once H.U.D. builds or acquires existing housing, the management needs to be far more humane than is currently the case with our local housing authority. No one should be evicted as long as they are paying the agreed upon rent. Extra charges should be eliminated or kept to a minimum, and Congress should mandate that any rent for which a tenant is backbilled should be repaid on a payment schedule the tenant can handle. People would not be living in subsidized housing if they didn't need the subsidy. They do not have the money to pay extra charges and rent for which they're billed after the fact. Where do you go when you're evicted from public housing? No wonder the numbers of homeless are increasing!

In summary, please let us keep the subsidized housing we now have. Please work to increase that supply. The private sector can serve low income people, but only under programs where the federal government substantially controls the physical housing. Beyond that, Congress needs to insure that tenants are treated fairly, and with respect and dignity.

Thank you very much for your kind attention.

Mr. **Bartlett**. Mr. Chairman, I'd just say how good it is to see Dorothy Masterson again. I think she and her organization with the Dallas Tenants Association does a remarkably good job both day-to-day helping people, and also commenting on public policy, and you're right, we don't agree on vouchers. But we found a number of things through the years that we do agree on, and I appreciate her testimony.

Ms. **Masterson**. And I do think we could get together and get those owners to keep places like—maybe not Webb Forest, but the other one. Maybe they do need to be given a little more incentive as to the 20 years to stay in the business, or if they choose not to anything that comes back to HUD let's use, let's use it.

It's a good way to get scattered site public housing if you would even use houses, and duplexes, and small apartment complexes that way. So let's use that resource.

Mr. **Bryant**. Thank you very much.

Our next witness on the list is Pauline Gary.

Ms. **Crawford**. I'm sorry, she's gone home.

Mr. **Bryant**. All right. It looks like this is Curtis D. Wynert? Is he here?

[No response.]

Mary Simmons.

[No response.]

Bertha Henry.

[No response.]

Aaron Jones? He was here before.

Regina Dodd.

Would you state your name before you begin testifying?

STATEMENT OF REGINA DODD, RESIDENT, ROSELAND HOMES

Ms. **Dodd**. My name is Regina Dodd, and I'm a resident of Roseland Homes, and I have a question for you all.

I would like to know in order for you to live in low income projects do you have to have a job?

Mr. **Bryant**. Is that your question?

Ms. **Dodd**. Yes; that's my question.

Mr. **Bartlett**. No; you don't, but in order to live a full and productive life I'd recommend it, and I would—I know you talked at lunch about that also, and I know you'd gone out and gotten a job Gotten, as I recall, two different answers from the public housing authority.

Ms. **Dodd**. OK. That's all I wanted to know. Thank you.

Mr. **Bryant**. Thank you.

Ms. Jewell Crawford, you've already testified.

Barbara Harwood.

[No response.]

I believe that's—Did somebody raise their hand? Did you want to make a statement?

We'll be glad to have you come forward.

Ms. **Daniel**. Let me ask you this question.

Mr. **Bryant**. First, please state your full name.

STATEMENT OF LONNIE DANIEL, RESIDENT, ROSELAND HOMES

Ms. **Daniel**. Lonnie Daniel, 3507 Model Avenue, in Roseland Homes.

Mr. **Bryant**. OK.

Ms. **Daniel**. I've been in your meetings quite a few times.

I have a resident card here, a certified card. I wrote you a letter—I think it's dated on here the 2nd and the 28th in 1985. And I would ask you did you—this was written to HUD in Washington, DC. Are you familiar with any of the documentations and things that I sent there? That's part of it there that I gave to Congressman Bartlett there.

Mr. **Bryant**. What is your question? Did we receive it?

Ms. **Daniel**. Yes.

Mr. **Bryant**. Well, of course, Members of Congress are not associated with the department, so if you addressed it to the department I don't think we would know about it.

Mr. **Bartlett**. Ms. Daniel, if it would make you feel any better, we've sent letters to HUD and haven't had them answered also, so——

Ms. **Daniel**. Well, I have also taken this material to John Bryant's office also. Did you receive that? The same material.

Mr. **Bryant**. If you took it there I'm sure we did receive it. I don't have any personal knowledge of it.

Ms. **Daniel**. Well, I'm saying it so you can get a hold to it and help us out here with these phoney leases that we are getting. We have some of the most ignorant leases that's coming from HUD, and I heard some of the questions, some of the things that was said there from the panel, and so forth, concerning HUD's rules and regulations, and who are giving out these rules and regulations, who is giving out these raises, and the rent, and so forth, and so on.

Well, I have documentation here. It is HUD that is giving it out. I have here previous rules, if you want this, and I would like for you all to have this, but I'd have to get a copy to give you though. I wouldn't want you to take my last.

The new rules here, previous rules rather, DHA. New rules, HUD. And it's itemized down here what the previous one was from DHA, and the new ones from HUD. And it's Housing Urban Recovery Act. Do you know anything about that?

Mr. **Bryant**. I know there is one. That's all I know.

Ms. **Daniel**. Well, we don't understand it, and that's one of the things that HUD is throwing on us to get higher raises in the rent. And we can't—we won't ever be able to get out of these houses as long as HUD keeps throwing off these types of leases. And this is a blank one. You can have this one. It's not a name signed on it. I have mine with my name on it. But I added some more to that. I did not understand it, and I do not agree with it. That's the way I signed my lease. I would not sign anything I don't agree on, nor do I understand.

And this is wrong. This is not made out by the court, and the rules and regulations of HUD, because I have all the documentation here in my arm, and plenty more at home.

Mr. **Bryant**. Have you written a letter to HUD and to me?

Ms. **Daniel**. And to you, right.

Mr. **Bryant**. Outlining your views?

Ms. **Daniel**. Right.

Mr. **Bryant**. OK.

Ms. **Daniel**. And I have some more material I would like for you all to have it.

So we need help from Congress. If we don't vote— I'm telling you, we vote you all in. I do. I voted you in. I can speak for me. To help us because we really need it.

This is not a low-income housing. When you start paying over $200 for rent you're not paying low rent. And there's plenty of it in here paying. I know some people in there paying as high as $700 for rent, and it is wrong. It is not right. And every time we get a raise, I don't care when it is, you have to be at that office reporting it in there before you can get it one-half the time.

And if you're not on a job—see, I know what the rules and regulations are. You're on probation 3 months on a job. You don't even know whether you have that job; 3 months time. If those people go down there later after that and report 3 months, they get an eviction notice, 3 days eviction notice, and it's not according to the rules and regulations of HUD.

HUD will go along with DHA to put people out, and this is why I wrote all these letters, and all this material, and everything I have on it is from HUD's rules and regulations. They do not abide by them. And we need Congress' help.

Mr. **Bryant**. Thank you for coming forward.

Ms. **Masterson**. Let me just state that I can back her up on that too because I deal with HUD all the time, and they're not going by the rules.

Ms. **Daniel**. That's right, they're not going by them. I have them. I have their own rules, HUD rules and regulations, and I think it's a mighty poor rule that works only one way.

Mr. **Bryant**. I hope that you will also present a letter with accompanying documents to Chairman Gonzalez of this committee for inclusion in the record of this hearing we're having today.

Ms. **Daniel**. OK.

Mr. **Bryant**. Thank you very much.

Ms. **Daniel**. All right. Thank you.

Mr. **Bryant**. If there are no further witnesses here today, then we'll thank everybody for their participation and declare the committee adjourned until further call of the Chair.

[Whereupon, at 6:05 p.m., the committee was adjourned.]

[Additional information submitted for inclusion in the record:]

October 14, 1985

P.O. Box 810461
Dallas, TX 75281

To: Chairman, Henry B. Gonzalez
Congressional Subcommittee
on Housing & Community Property
Rm 2129 RHOB
Washington, D.C. 20515

Dear Ms. Garcia

RE: Tearing Down of the Newest and Nicest HUD Apartment Complex for Senior Citizens and Low Income Families in North Dallas, TX

WEBB FOREST APARTMENT @ Webbs Chapel and Forest Lane

HUD mortgages are maturing nationwide and foreign corporations are buying them up for the land value and throwing our American people in the streets with no mercy or monies to move these people out.

We have a severe shortage of low cost housing in this country and millions are sleeping on the streets. A mortorium must be called immediately and stop this tearing down of low cost housing.

It takes three years to build these buildings and the cost is much higher today than before. It is better to restore them.

Only 2% of the American people actually end up financially secure in this country after working a life time. The others depend on friends and relatives to help them. Those that have no friends or relatives to help them have nothing. As you get older your friends and relatives pass-on and so you find yourself alone. Many places even deny the old people a pet to talk to. How ignorant can they get and stay? Dal-Tak Corportion put out these figures within the last 6 month.

Even the middle class are hard hit for housing in this country as they have been knocked out and through the cracks of our system too. Housing must be provided for them as well.

I am the spokeswomen for this apartment complex and I have been before the Planning Board at City Hall twice to stop the re-zoning of this complex by Tri-land a Canada owned Developer with Southmark Corp. as their partner, and American Independent as the Finance Corporation backing them also. So far I have gotten it delayed twice for 30 days at a time. I need all the HELP I can get as they use scare tactics to get these poor people out by Feb. 16, 1986. Some have moved, some have had heart attacks as there is no place for them to go.

Each and every one of them are not only poor and old but hardship cases as well. It is insanity to tear down housing we need desperately and throw human beings in the streets when we have over 4,000 on the streets of Dallas at this time. Any help you can offer us will be greatly appreciated.

Most sincerely,

Beverly Lomenzo

Beverly Lomenzo (Mrs.)

P.S. Next Hearing at City Hall is
Oct. 17-85 @ 1:30